



India Finsec Limited

(L65923DL1994PLC060827)

To
BSE Limited
Corporate Relation Department,
1st Floor, New Trading Ring,
Rotunga Building, Phiroze Jeejeebhoy Towers ,
Dalal Street, Mumbai – 400001.

Date: 05.08.2023

Scrip Code: 535667 Scrip Id: IFINSEC.

Sub. : Submission of 29th Annual Report for F.Y. 2022-23 of the Company, pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/Madam,

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2022-23 along with notice of the 29th Annual General Meeting of the Company, scheduled to be held on Monday, the 28th day of August, 2023 at 9.30 a.m. at D-16, First floor, Prashant Vihar, Sector-14, Rohini, New Delhi-11 0085.

The aforesaid documents are also available on the Company's website at www.indiafinsec.in.

This is for your information and to take the same on record.

Thanking You,

Yours faithfully,

For India Finsec Limited

VJAY KUMAR
DWIVEDI
17.5449 +05:30

Vijay Kumar Dwivedi
(CS & Compliance Officer)

Place: New Delhi

Encl: As above.



INDIA FINSEC LIMITED

Annual Report 2022-23





Corporate Information

Board of Directors	Mr. Gopal Bansal(Chairman &Managing Director)
	Mr. Mukesh Sharma (Non-Executive Director)
	Ms. Purva Mangal (Independent Director)
	Mr. Amit Kumar Agarwal (Independent Director)
	Mr. Devi Dass Agarwal (Independent Director)
	Ms. Himanshi Kashyap (Independent Director)
Audit Committee	Mr. Amit Kumar Agarwal (Chairman)
	Mrs. Purva Mangal (Member)
	Mr. Gopal Bansal (Member)
Nomination & Remuneration Committee	Mr. Amit Kumar Agarwal (Chairman)
	Mrs. Purva Mangal (Member)
	Mr. Mukesh Sharma (Member)
Stakeholders & Relationship Committee	Mr. Amit Kumar Agarwal (Chairman)
	Mrs. Purva Mangal (Member)
	Mr. Gopal Bansal (Member)
Risk Management Committee	Mr. Gopal Bansal (Chairman)
	Mr. Amit Kumar Agarwal (Member)
	Mrs. Purva Mangal (Member)
Chief Financial Officer	Mr. Manoj Kumar Gupta (CFO)
Company Secretary & Compliance Officer	Mr. Vijay Kumar Dwivedi
Registered Office	D-16, 1st Floor, Above ICICI Bank Prashant Vihar, Sector-14,Rohini,New Delhi – 110085
Statutory Auditor	M/s Ajay Rattan & Co. (Chartered Accountants)
Secretarial Auditor	M/s VMS & Co., CS Megha Sharan (Practicing Company Secretary)
Internal Auditor	M/s Mukesh M Gupta & Associates (Chartered Accountants)
Registrar and Share Transfer Agent	Skyline Financial Services Private Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020
E-mail Id & Website	indiafinsec@gmail.com & www.indiafinsec.com



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ANNUAL GENERAL MEETING

Date: Monday, August 28, 2023 | Time: 9:30 a.m.

Venue: D-16, 1st Floor, Prashant Vihar, Sector 14, Rohini, Delhi - 110085



Dear Members/Directors/Auditors,

You are cordially invited to attend the 29th Annual General Meeting (the “AGM”) of the members of **India Finsec Limited** (“the Company”) to be held on **Monday, August 28, 2023 at 9:30 a.m.** at **D-16, First floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085.**

The Notice of the meeting containing the business to be transacted is enclosed herewith. As per section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members the facility to cast their votes by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are enclosed with the Notice.

Thanking You,

For and on behalf of the Board
India Finsec Limited

Sd/-
Vijay Kumar Dwivedi
Company Secretary

Enclosures:

1. *Notice to the 29th Annual General Meeting*
2. *Attendance Slip*
3. *Proxy Form*
4. *Form No SH-13*
5. *Form No SH-14*
6. *Route Map to the venue of AGM.*



Notice

Notice is hereby given that the 29th Annual General Meeting (AGM) of the members of **India Finsec Limited** will be held on **Monday, August 28, 2023 at 9:30 a.m.** at D-16, First floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 - Adoption of financial Statements

To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the company for the year ended March 31, 2023 i.e. Balance Sheet as on March 31, 2023, the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on March 31, 2023 along with the reports of the Board of Directors ('the Board') and the Auditors thereon.

Item No. 2 – Re-appointment of Mr. Mukesh Sharma (DIN: 00274217) as a director liable to retire by rotation

To re-appoint Mr. Mukesh Sharma (DIN: 00274217), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Mukesh Sharma (DIN: 00274217), who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS:

Item No. 3- Approval for Material Related Party Transactions

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

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) (“Listing Regulations”), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the **arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares (including any other transfer of resources, services or obligations)** upto an amount upto Rs. 200 Crores in financial year 2023-24 entered or to be entered into by the Company with IFL Housing Finance Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms' length basis as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares and to perform all other obligations in terms of such arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares with the Related parties.”

**Item No. 4- Approval for Material Related Party Transactions**

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

“RESOLVED THAT pursuant to Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 and in terms of applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force) (“Listing Regulations”), and pursuant to the consent of the Audit Committee and the Board of Directors obtained at their respective meetings, consent and approval of the Members of the Company be and is hereby accorded to the Board of Directors (which term shall include any Committee constituted by the Board or any person(s) authorised by the Board to exercise its power, including the powers conferred by this Resolution) to enter into the **arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares (including any other transfer of resources, services or obligations)** upto an amount upto Rs. 200 Crores in financial year 2024-25 entered or to be entered into by the Company with IFL Housing Finance Limited, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations as applicable, in the ordinary course of business and on arms’ length basis as set out in the explanatory statement annexed to the notice convening this meeting.

RESOLVED FURTHER THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, to do all such acts, deeds, matters and things as may be necessary, expedient or desirable including any modification/ ratification/ amendments to or termination thereof, of the subsisting arrangements/ transactions/ contracts/Corporate Guarantee/investment in shares and to perform all other obligations in terms of such arrangements/ transactions/ contracts/Corporate Guarantee/ investment in shares with the Related parties.”

Item No. 5- To give loans or to give guarantees or to provide securities in connection with the loan made to any other body corporate or person or to make investments under section 186 of the Companies Act, 2013.

To consider and to pass the following resolution as a **Special Resolution**:

“RESOLVED THAT in supersession of the earlier resolution passed by the members in their meeting held on 30.09.2022 and pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee which the Board may constitute for this purpose or any person(s) authorized by the Board) for making investment(s) in excess of limits specified under section 186 of Companies Act, 2013 from time to time in acquisition of securities of any Body corporate or for giving loans, guarantees or providing securities to any Body corporate or other person / entity as may be considered appropriate for an amount not exceeding 500 crore (Rupees Five Hundred Crores only), notwithstanding that such investment and acquisition together with the Company’s existing investments in all other bodies corporate, loans and guarantees given and securities provided shall be in excess of the limits prescribed under section 186(3), of the Companies Act, 2013.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board of Directors of the Company be and is hereby authorized to finalize and execute all agreements, documents and writings and to do all such acts, deeds and things in this connection and incidental thereto as they may in their absolute discretion deem fit to give effect to this resolution.”

**By order of the Board of Directors
For India Finsec Limited**

**Vijay Kumar Dwivedi
Company Secretary**

**Date: 31.07.2023
Place: New Delhi**

**Notes:**

1. The Statement is annexed with the Notice in respect of Ordinary/Special Business (Item No. 3 to 5), as required under Section 102(1) of the Companies Act, 2013.

2. Proxy/Authorized Representative

(i) A member entitled to attend and vote at the Annual General Meeting (“AGM”) is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and such proxy need not be a member of the company. The instrument appointing proxy (Proxy Form), in order to be effective must be deposited at the registered office of the company, not less than forty-eight (48) hours before the commencement of the Annual General Meeting (“AGM”). Proxy Form is enclosed with the Notice. Members are requested to note that a person can act as proxy on behalf of the members not exceeding 50 (Fifty) and holding in aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten (10) percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, during the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, provided that not less than 3 days of notice in writing is to be given to the Company.

(ii) Corporate Members intending to send their Authorized Representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing their representative to attend and vote on their behalf at the Meeting.

(iii) Members/ Proxies/ Authorized Representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.

(iv) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

(v) **With the aim of curbing fraud and manipulation risk in physical transfer of securities, SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 on June 8, 2018 to permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.**

(vi) **As per SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/2018/73 dated April 20, 2018, members holding shares in Physical forms are requested to submit their PAN details and Bank Details to the RTA of the Company.**

(vii) Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically

3. Book Closure

Register of Members and Share Transfer Books of the Company will remain closed from **August 21, 2023 to August 28, 2023** (both days inclusive) for the purpose of AGM.

4. Cut- off date:

(i) This Notice is being sent to all the members whose name appears as on July 28, 2023 in the register of members or beneficial owners as received from **M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent** of the Company.

(ii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **August 21, 2023** (the “Cut-off Date”) only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.



5. Communication To Members

- (i) The Notice of the AGM along with the Attendance Slip and Proxy Form, and a copy of Annual Report are being sent by electronic mode to all members whose email addresses are registered with the Company/Depository Participant(s) unless a member has requested for a hard copy of the same and also to the Auditors and Directors of the Company. For members who have not registered their email addresses, physical copies of the abridged annual report along with aforesaid documents are being sent by the permitted mode.
- (ii) Abridged and full version of the annual report and notice of AGM will also be available on the website of the Company i.e. the web link of the above is <https://www.indiafinsec.in/investors-info/> and at the website of CDSL at www.evotingindia.com. Hard copies of the full annual reports will be sent to those shareholders who will request the same.
- (iii) All the documents referred to in the accompanying notice and Register of Directors and Key Managerial Personnel and their Shareholding are open for inspection at the registered office of the Company on all working days except Saturdays and Sunday, between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
- (iv) In case you have any query relating to the enclosed annual accounts you are requested to send the same to the Company Secretary at the Registered office of the Company or on E-mail Id “indiafinsec@gmail.com”, at least 10 days before the date of AGM so as to enable the management to keep the information ready.
- (v) Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. For Members who have not registered their e-mails address, physical copies are being sent by permitted mode.
- (vi) In order to implement the Green Initiatives of the Government, whereby Companies have now been allowed to send/ serve notice(s)/document(s)/Annual Report(s) etc, to their members through electronic mode, your Company hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding) and with the Depository Participant (in case of Dematerialized holding), if not yet provided, to promote Green Initiative.

6. Voting By Members

The voting for the agenda items as mentioned in the Notice shall be done in the following manner:

- (i) Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM (“**Remote E-voting**”) in the manner provided below during the e-voting period as mentioned below in Para 6(A)(I).
- (ii) At the venue of AGM, voting shall be done through ballot papers (“**Ballot Paper**”) and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
- (iii) A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

(A) Voting Through Electronic Means

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility of Remote E-voting to all its Members, to enable them to cast their votes on all resolutions set forth in this Notice electronically and the business mentioned in the Notice may be transacted through e-voting. Remote E-voting is optional and not mandatory.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing Remote E-voting facility to all its Members.



(I) The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on **Friday, August 26, 2023 (10:00 a.m.)** and ends on **Sunday, August 27, 2023 (05:00 p.m.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **August 21, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
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<p>Individual Shareholders holding securities in Demat mode with CDSL</p>	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following



	<p>URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,



- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.



- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; indiafinsec@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.



2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

User ID and Password for the members who became Members after dispatch of AGM notice: Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of **September 23, 2022**, may obtain their user ID and password for e-voting from the Company's Registrar and Share Transfer Agent or CDSL.

(II) Voting Through Ballot Paper

Members who have not exercised the option of Remote E-voting shall be entitled to participate and vote at the venue of the AGM on the date of the AGM i.e. **Friday, September 30, 2022**. Voting at the venue of AGM shall be done through Ballot Papers and Members attending the AGM shall be able to exercise their voting rights at the meeting through Ballot Papers. After the agenda item has been discussed, the Chairman will instruct the Scrutinizer to initiate the process of voting on all the resolutions through Ballot Papers.

The Ballot Paper/s will be issued to the Shareholders/Proxy holders/Authorized Representatives present at the AGM. The Shareholders may exercise their right of vote by tick marking as (✓) against "FOR" or "AGAINST" as his/her choice may be, on the agenda item in the Ballot Paper and drop the same in the Ballot Box(es) kept at the meeting hall for this purpose.

7. Scrutinizer

(I) The Board of Directors of the Company has appointed **Mrs. Sarita Singh, Practicing Company Secretary** (CP No. 24682, Membership No. A55937) as the Scrutinizer to scrutinize the remote E-Voting process and poll at the Annual General Meeting in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for the same purpose.

(II) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not later than forty eight hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

8 Declaration of Results

Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations. The results declared along with the Scrutinizer's Report, will be posted on the website of the Company at www.indiafinsec.in and on the website of CDSL immediately after the declaration of the result by the Chairman or any person authorised by him in writing and communicated to the Stock Exchanges.

9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are required to submit their PAN to



their Depository Participants and Members holding shares in physical form shall submit their PAN to the Company/ R & T Agents.

10. The Members are requested to inform of any change in their addresses, name, bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, e-mail address, contact numbers, etc., for providing efficient and better services immediately to:

- (i) Registrar and Share Transfer Agents (R&T Agents) in case of shares held in Physical Form or
- (ii) Depository Participants in case of shares held in Electronic Form

11. Details as per Regulation 36(3) of Listing Regulations Clause 1.2.5 of the SS-2, in respect of the Directors seeking appointment/ re- appointment at the Annual General Meeting attached as **Annexure –I** , forms integral part of the notice.

12. Nomination

Members holding shares in physical form and desirous of making/changing a Nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof, are requested to submit the request in prescribed form SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents (RTA), M/s Skyline Financial Services Private Limited. (Enclosed with this Notice)

13. Dematerialization

Pursuant to the directions of the SEBI, trading in the shares of your Company is in compulsory de-materialized form. Members who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant(s) with whom they have opened the de-materialization account to the Company's RTA.

14. Other Information

As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.



EXPLANATORY STATEMENT
(Pursuant to section 102(1) of the Companies, Act, 2013)

Item No. 3 & 4

The members may note that the Securities and Exchange Board of India (“SEBI”) notified SEBI (Listing Obligation and Disclosure Requirements) (Sixth Amendment) Regulation, 2021 on November 9, 2021 which were effective from April 1, 2022. The amended provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) defines a “material related party transaction” as transaction to be entered into individually or taken together with previous transactions during a financial year by the company, which exceeds INR 1,000 crore or 10% of annual consolidated turnover of the listed entity, whichever is lower, as per last audited financial statements of the listed entity. Further, such “material related party transactions” require prior approval of shareholders of the company.

SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2022/40 dated March 30, 2022 and vide SEBI/HO/CFD/CMD1/CIR/P/2022/47 dated April 8, 2022 (hereinafter collectively referred to as “SEBI Circulars”) had, inter-alia, clarified that the shareholders’ approval of omnibus related party transactions approved in an annual general meeting shall be valid up to the date of the next annual general meeting for a period not exceeding fifteen months. SEBI had also clarified that in case of omnibus approvals for material RPTs obtained from shareholders in general meeting other than AGMs, the validity of such approvals shall not exceed one year. Pursuant to the provisions of said Circulars of SEBI, it is proposed to seek approval from the shareholders of the Company for “material related party transactions” by the Company as mentioned hereinunder.

IFL Housing Finance Limited is Related Party as defined under Section 2 (76) of the Companies Act, 2013 and/ or under applicable accounting standards. IFL Housing Finance Limited is Subsidiaries of India Finsec Limited. Your Company holds 62.67% equity share capital in IFL.

Your Company operates in the loan and investment sector and is duly registered with the Reserve Bank of India (RBI) as a Non-Banking Financial Company (NBFC) with a focus on loans and investments. Given the nature of your Company's operations, the transactions with IFL Housing Finance Limited are ongoing and integral to the course of our business, conducted at an arm's length basis.

In light of IFL Housing Finance Limited's consistent growth, our position as its holding company necessitates us to provide a Corporate Guarantee, as required by its lenders. Consequently, the Board and audit committee have approved a resolution, permitting us to extend a Corporate Guarantee up to a maximum of Rs. 200.00 Crores on behalf of IFL for each fiscal year, specifically 2023-24 and 2024-25.

Since the value of these transactions may exceed the materiality threshold as stipulated by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are seeking your approval for these Related Party Transactions as detailed in the resolution for the financial years 2023-24 and 2024-25.

Additional information required under the Act and SEBI Regulations, 2015, pertinent to these transactions is provided herein:

Name of the Related Party	IFL Housing Finance Limited
Nature of relationship with the Company or its subsidiary, including nature of its concern or interest (financial or otherwise)	Subsidiary of the Company
Type, material terms and particulars of the contract or arrangement/Proposed RPTs	To provide Corporate Guarantee or security in connection with a loan to any other body corporate or person/ arrangements/ transactions/ contracts/investment in shares (including any other transfer of resources, services or obligations)



Tenure of the Proposed Transaction	Financial Year 2023-24 and 2024-25
Estimated Value of the Proposed Transaction	Up to Rs 200.00 Crore for each financial year i.e. 2023-24 and 2024-25.
Percentage of the Company's annual consolidated turnover (including other income) for the immediately preceding financial year that is represented by the value of the proposed transaction	430.84%
Details of the source of funds in connection with the proposed transaction	NIL
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments • nature of indebtedness; • cost of funds; and • tenure;	
Applicable terms, including covenants, tenure, interest rate, repayment schedule, whether secured (nature of security) or unsecured	
Purpose for which funds will be utilised	
Justification as to why the RPT is in the interest of the Company	The company is having major stake in its subsidiary. Thus, increase in its subsidiary's revenue will increase its investment value.
Statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of the shareholder	N.A
Name of the Director or KMP who is related, if any	Mr. Gopal Bansal Being Managing Director & shareholder, Mr. Mukesh Sharma Director & Shareholders and Mrs Sunita Bansal being Shareholder of the Company and their relatives may be deemed concerned or interested, financially or otherwise in the said resolution.
Any other information	Nil

Mr. Gopal Bansal being Managing Director & shareholder, Mr. Mukesh Sharma Director & Shareholders and Mrs Sunita Bansal being Shareholder of the Company and their relatives may be deemed concerned or interested, financially or otherwise in the said resolution.

The Members may note that in terms of the provisions of the SEBI Listing Regulations, no Related Party shall vote to approve the Ordinary Resolution set forth at Item No. 3 & 4 of the Notice, whether the entity is a Related Party to the particular transaction or not. The Board recommends the Ordinary Resolution set out at Item No. 3 & 4 of the Notice for approval of the shareholders.

Item No.5

To maximize the prudent utilization of available funds and to effectively achieve our long-term strategic and business objectives, the esteemed Board of Directors proposes a judicious course of action: investing in other bodies corporate and extending loans, guarantees, or securities to other persons, subsidiary companies, or body corporates, whenever the need arises.



It is vital for our esteemed members to be informed that as per Section 186 of the Companies Act, 2013 ("the Act"), the Company is authorized to provide loans, guarantees, or security in connection with loans to other bodies corporate or individuals. Additionally, the Company can acquire securities of other body corporates, subject to certain limits. Specifically, the limit is either 60% of the paid-up share capital, free reserves, and securities premium account, or 100% of the free reserves and securities premium account, whichever is higher. This action requires the approval of our esteemed members by means of a special resolution passed at the general meeting.

Considering the above, it is proposed to seek approval under Section 186 of the Companies Act, 2013, through a special resolution, up to a limit of Rs. 500 Crores, as detailed in the Notice.

The Board of Directors firmly believes that this strategic step will not only optimize the use of our Company's funds but also foster growth opportunities and support ventures that align with our long-term vision. This proposal reflects our commitment to making well-informed and responsible financial decisions to further the Company's interests while ensuring compliance with the applicable legal provisions and safeguarding the interests of all stakeholders.

The above proposal is in the interest of the Company and the Board recommends the Resolution as set out at Item No.5 for approval by the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned with or interested, financially or otherwise in the resolution at Item no. 5 of the accompanying notice. The Board recommends the resolution at Item no.5 to be passed as Special Resolution.

**By order of the Board of Directors
For India Finsec Limited**

**Vijay Kumar Dwivedi
Company Secretary**

**Date: 31.07.2023
Place: New Delhi**

**Annexure I to the Notice**

Details of the Directors seeking appointment/re-appointment at the ensuing Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India]

Name of the Director	Mr. Mukesh Sharma
Date of Birth	20.04.1978
Qualifications	M.Com
Remuneration last drawn (In Rupees)	-
Nature of his expertise in specific functional areas	Financial & Portfolio Management
Brief Profile	Mr. Mukesh Sharma having expertise in the field of financing, investment, management consultancy and Finance etc. He was appointed as a Director on December 18, 2006. Thereafter, as per his knowledge and experience, the members of the Company had re-appointed him as Whole Time Director of the Company during the financial year 2016-17. Due to his busy schedule and some other commitments elsewhere, he was designated as Non- Executive Director w.e.f. 14 th August, 2017. Presently, he is providing valuable services to the Company.
Name of other Public Companies in which the person holds the Directorships	Nil
Name of the Public Companies in which the person holds the Memberships of committees of the Board	Nil
Remuneration proposed to be paid	Nil
Remuneration last drawn.	Nil
Date of first appointment to the Board	18.12.2006
Listed entities from which the Director has resigned in the past three years	Nil
Name of Listed entities in which person also holds Membership/Chairmanship of Committees of other Boards (excluding this company)	Nil
Terms and conditions of appointment or re-appointment	NA
Shareholding in the Company (Equity)	12,92,540 shares (5.18%) as on March 31, 2023
Relationship with other Directors/Manager/Key Managerial Personnel	Nil
Number of Board Meetings attended during the FY 2022-23	16 out of 17



BOARD REPORT

**To,
The Members,**

Your Directors are pleased to present the Company's 29th Annual Report on the business & operations of the Company and Audited Statement of Accounts Statements (Standalone & Consolidated) for the year ended 31st March 2023 along with the Auditor's Report thereon.

COMPANY BACKGROUND

India Finsec Limited ("the Company") is a RBI registered Non-Banking Financial Company ("NBFC"). The registered office of the Company is situated at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085. The Company was incorporated on August 10, 1994. The Company has its Equity Shares listed at BSE Limited.

FINANCIAL PERFORMANCE

Particulars	Financial year ended (Rs. In '000')			
	Standalone		Consolidated	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total Income	6,804.29	8,601.88	4,64,254.88	2,43,314.40
Total Expenditure	5,284.13	8,328.96	4,00,235.12	1,89,499.33
Profit/(Loss) before tax	1,520.16	272.92	64,019.76	53,815.07
Profit/(Loss) after tax	1,296.43	141.50	46,038.69	40,400.89
Paid-up Share Capital	249,417.15	249,417.15	249,417.15	249,417.15

STATE OF COMPANY'S AFFAIRS/BUSINESS OVERVIEW

The Company is engaged in the business of financing, Inter Corporate Deposits, Personal Loans, funding against shares and securities and Long against Property (LAP) to the individuals and Body Corporate.

During the financial year 2022-23, total revenue on standalone basis has been decreased to Rs. 68,04,288/- as against Rs. 86,01,880/- in the previous year registering a decline of 20.89%. However, the group registered a Profit of Rs. 12,96,427/- in current year as against a net profit of Rs. 141,500/- in the previous year.

On a consolidated basis, the group achieved revenue of Rs. 46,42,54,880/- as against Rs. 24,33,14,400/- during the previous year, registering a growth of 90.80%. The Profit after Tax for the current year is Rs. 4,60,38,706/- as against the previous year profit of Rs. 4,04,00,890/-.

Your Company has been able to achieve substantial market share, steady price for its products by taking up newer challenges.



DIVIDEND

During the year under review the Board of Directors has not recommended any dividend on equity shares of the Company.

TRANSFER TO RESERVES

In terms of Section 45-IC of the RBI Act 1934, the Company registered as NBFC with RBI is required to transfer at least 20% of its Profit after tax to a Reserve Fund before dividend is declared. As at the year end, an amount of Rs. 2,59,290/- has transferred to the Reserve Fund.

CHANGES IN THE NATURE OF BUSINESS

The Company is engaged in the business of Financing, Inter Corporate Deposits, advancing personal loans, funding of IPO, funding against shares and securities, loan against properties to individuals & companies etc. However, there has been no change in the nature of business during the year under review by the Company.

MATERIAL CHANGES AND COMMITMENTS

There is no material change which may affect the financial position of the Company between the end of financial year and up to the date of this report.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2022-23. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

PUBLIC DEPOSITS

During the year under review, the company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS

STATUTORY AUDITOR

The term of office of M/s V.N. Purohit & Co., as Statutory Auditors of the Company was expired at the previous AGM of the Company held on 30th September, 2022.

The members of the Company at their 28th Annual General Meeting held on 30th September, 2022, approved the appointment of M/s. Ajay Rattan & Co., Chartered Accountants (Firm Registration Number: 012063N) as the Statutory Auditors of the Company, to hold office from the conclusion of the 28th Annual General Meeting until the conclusion of the 33rd Annual General Meeting of the Company to be held in the year 2027.



Auditor's Report

The Auditor's Report for Financial Year Ended March 31, 2023 is unmodified i.e. does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self-explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Annual Report.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI Listing Regulations, the Company had appointed Mrs. Mrgha Sharan, partner of M/s. Jain & Sharan LLP, (Membership No.: F9802; Certificate of Practice No.: 12171) to undertake the Secretarial Audit of the Company for FY 2022-23.

Further, in terms of the provisions of the Circular No. CIR/CFD/CMD1/27/2019 dated February 8, 2019 issued by SEBI, Ms. Megha Sharan issued the Annual Secretarial Compliance Report, confirming compliance by the Company of the applicable SEBI Regulations and circulars / guidelines issued thereunder.

The Secretarial Audit Report is appended as Annexure- I to this Report.

Secretarial Audit Report of Subsidiary Company

The Secretarial Audit Report of M/s IFL Housing Finance Limited, subsidiary of India Finsec Limited, for the financial year ended March 31, 2023 does not contain any qualification, reservation or adverse remark. A copy of Secretarial Audit Report as provided by Company Secretary in Practice has been annexed with the Report. *(Annexure-II)*

INTERNAL AUDITOR

Pursuant to provisions of Section 138 read with rules made there under, the Board has appointed M/s Mukesh M Gupta & Associates, Chartered Accountants, as an Internal Auditor of the Company, to check the internal controls and functioning of the activities of the Company and also recommends way of improvement. They have provided Internal Audit Report of the Company for the financial year ended March 31, 2023. The Internal audit is carried out quarterly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction. The Report does not contain any qualification, observation, reservation, adverse remark or disclaimer.

MAINTENANCE OF COST RECORDS

The Central Government has not specified maintenance of cost records, for any of the products of the Company, under section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014.



SHARE CAPITAL

As on 31st March, 2023, the Authorised share capital of the Company was Rs. 30,00,00,000 and the paid up equity share capital was Rs. 24,94,17,150/-. During the year under review:

A. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS

The Company has not issued any equity shares with differential rights so no disclosure is required as per Rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

B. ISSUE OF SWEAT EQUITY SHARES

The Company has not issued sweat equity shares, so no disclosure is required as per Rule 8(13) of the Companies (Share Capital and Debentures) Rules 2014.

C. ISSUE OF EMPLOYEE STOCK OPTIONS

The Company has not issued employee stock options, so no disclosure is required as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014.

D. PROVISION OF MONEY BY COMPANY FOR PURCHASE OF ITS OWN SHARE BY EMPLOYEES OR BY TRUSTEE FOR THE BENEFIT OF EMPLOYEES

The Company has not made any provision for purchase of its own share by employees or by trustee for the benefit of employees so no disclosure is required as per Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014.

E. ISSUE OF SHARES ON PREFERENTIAL BASIS

The Company has not issued any share on preferential basis during the year.

LISTING FEES

The Company has paid the Annual Listing Fees to the Bombay Stock Exchange Limited (BSE) for the financial year 2022-23.

EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return in Form MGT-9 as required under Section 92(3) and section 134(3)(a) of the Act and as prescribed in Rule 12 of the Companies (Management and Administration) Rules, 2014, is enclosed as Annexure *III* to this Report.

The Annual Return in Form MGT-7 as required under Section 92(3) of the Act shall be hosted on the website of the Company viz. www.indiafinsec.in.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO



The details of conservation of energy, technology absorption, foreign exchange and outgo are as follows:

A. CONSERVATION OF ENERGY

Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding conservation of energy are not applicable.

B. TECHNOLOGY ABSORPTION

Company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding Technology absorption are not applicable.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

There has been no expenditure and/or earning in foreign exchange.

POLICIES

There has been no change in the following policies during the financial year 2022-23:

- Policy on Preservation of Documents and Archives Management as per Regulation 9 and 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for Disclosure of events/ information and Determination of materiality as per Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy on Materiality of Related Party Transactions as per Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Risk Management Policy
- Policy for determining 'material' subsidiaries as per Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Such Policies are available on the website of the Company i.e. <https://www.indiafinsec.in/investors-info/>.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED

During the financial year 2022-23, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12), OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

The Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company.

DETAILS OF APPLICATION / ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016



Neither any application was made nor any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

As Company has not done any one time settlement during the year under review hence no disclosure is required.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility is not applicable to the company as company is not falling in the criteria of the CSR as mentioned in Section 135 read with respective rules of the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As on March 31, 2023, the Board of Director's consists of the following members:

S. No.	Name of Director	Designation	DIN	Date of Appointment
1	Mr. Gopal Bansal	Managing Director	01246420	20.04.2012
2	Mr. Mukesh Sharma	Director	00274217	18.12.2006
3	Mr. Amit Kumar Agarwal	Independent Director	08768575	06.07.2020
4	Ms. Purva Mangal	Independent Director	02816099	30.09.2019
5	Mr. Devi Dass Agarwal	Independent Director	09152596	01.07.2021
6	Ms. Himanshi Kashyap	Independent Director	07681277	24.08.2020

A. DIRECTORS

During the financial year 2022-23, Mr. Gopal Bansal (DIN: 01246420), Executive Director was liable to retire by rotation and being eligible had offered himself, for re-appointment before the shareholders at 28th Annual General Meeting ("AGM") of the Company. The shareholders confirmed his re-appointment at the 28th AGM of the Company.

Pursuant to the provisions of Section 152 (6) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof for the time being in force) Mr. Mukesh Sharma (DIN: 00274217) Director of the Company is liable to retire by rotation at the ensuing AGM and being eligible to offers himself for reappointment.



B. CHIEF FINANCIAL OFFICER

There is no appointment, resignation or any other changes in the position of the Chief Financial Officer of the Company.

C. COMPANY SECRETARY & COMPLIANCE OFFICER

There is no appointment, resignation or any other changes in the position of the Company Secretary & Compliance Officer of the Company.

DECLARATION BY THE INDEPENDENT DIRECTORS

All Independent Directors have submitted the declaration of independence, pursuant to the provisions of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations, stating that they meet the criteria of independence as provided in Section 149(6) of the Act and Regulations 16(1)(b) of the SEBI Listing Regulations and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/ her duties with an objective independent judgment and without any external influence.

FAMILIARIZATION PROGRAMME

The Company has familiarized the Independent Directors with the Company, their roles, responsibilities in the Company, nature of industry in which the Company operates, business model of the Company, etc. The details relating to the familiarization programme are available on the website of the Company at www.indiafinsec.com.

FIT AND PROPER CRITERIA & CODE OF CONDUCT

All the Directors meet the fit and proper criteria stipulated by RBI. All the Directors and Senior Management of the Company have affirmed compliance with the Code of Conduct of the Company.

PERFORMANCE EVALUATION

The Board of Directors has carried out the Annual Performance Evaluation of its own, Committees of Board of Directors and Individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The performance of the Board was evaluated by the Board, after seeking inputs from all Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings etc. The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as contribution of the Individual Director to the Board and Committee meetings. Also in a separate meeting of Independent Directors, performance of Non-Independent Directors, Board as a whole and the Chairman were evaluated, taking into account the views of Executive Directors and Non-Executive Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

NUMBER OF MEETINGS OF THE BOARD



The Board of Directors duly met 17 (Seventeen) times during the year, in respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The details of Board meetings and the attendance of Directors in such meetings are given in the Corporate Governance Report forming part of this Annual Report.

COMMITTEES AND THEIR MEETINGS

AUDIT COMMITTEE

The Company has an Audit Committee comprising Mr. Amit Kumar Agarwal (Independent Director), Ms. Purva Mangal (Independent Director), Mr. Gopal Bansal (Managing Director) and Mr. Vijay Kumar Dwivedi (Secretary of the Audit Committee) as on March 31, 2023. The terms of reference of the Audit Committee inter-alia include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors. All the recommendations made by Audit Committee were accepted. The details of the Audit Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 5 (Five) Audit Committee Meetings were held for the Financial Year 2022-23.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. The company believes on the honesty, integrity, ethics, transparency and good conduct for its professional environment and provides such kind of environment to its employees and directors and always encourages its team to follow such standards in their activities. The directors, employees and other team members are free to report on the issues which require genuine concern. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically.

This policy is explained in corporate governance report and also posted on the website on <http://www.indiafinsec.in/corporate-governance/> under Corporate Governance section.

NOMINATION AND REMUNERATION COMMITTEE

The Company has a Nomination & Remuneration Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee's scope of work includes nominate the directors as per their qualifications, experience and positive attributes, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation.

The Committee as on March 31, 2023 comprises of Mr. Amit Kumar Agarwal (Independent Director), Ms. Purva Mangal (Independent Director) and Mr. Mukesh Sharma (Non-Executive Director). The details of the Nomination and Remuneration Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 2 (Two) Nomination and Remuneration Meeting was held for the Financial Year 2022-23.



NOMINATION AND REMUNERATION POLICY

The policy of the Company on Directors' Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013 is placed on the website of the Company i.e. www.indiafinsec.in and the details of Nomination and Remuneration Policy are covered in the Corporate Governance Report. It is hereby affirmed that the remuneration paid is as per Remuneration Policy of the Company. The Nomination & Remuneration Policy is attached with this report as an **Annexure IV**.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has a Stakeholder Relationship Committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

The Committee as on March 31, 2023 comprises of Mr. Amit Kumar Agarwal (Independent Director), Ms. Purva Mangal (Independent Director) and Mr. Gopal Bansal (Managing Director). The details of the Stakeholders Relationship Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 4 (Four) Stakeholders Relationship Committee Meetings were held for the Financial Year 2022-23.

RISK MANAGEMENT COMMITTEE

The Board of Directors has constituted a Risk Management Committee to minimize or mitigate the risk involved in the business activities of the Company.

The Committee as on March 31, 2023 comprises of Mr. Amit Kumar Agarwal (Independent Director), Ms. Purva Mangal (Independent Director) and Mr. Gopal Bansal (Managing Director). The details of the Risk Management Committee and the attendance of its members are provided in the Corporate Governance Report.

During the year 1 (One) Risk Management Committee Meeting was held for the Financial Year 2022-23.

RISK MANAGEMENT POLICY

In accordance with Regulation 17(9) of the SEBI (LODR) Regulations, 2015 and Section 134(3) of the Companies Act, 2013, the board members were informed that the Company has a robust Risk Management framework to identify, measure and mitigate business risks and opportunities. This framework seeks to create transparency, minimise adverse impact on the business objective and enhance the Company's competitive advantage. This risk framework thus helps in managing market, credit and operations risks and quantifies exposure and potential impact at a Company level.

DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES

During the year under review, we have one subsidiary company i.e. "IFL Housing Finance Limited". In accordance with Section 129(3) we have prepared the consolidated financial statements of the Company which forms part of this Annual Report.



During the year, IFL Housing Finance Limited reported revenue of Rs. 4,576.70 Lakhs and profit after tax of Rs. 447.39 Lakhs as compared to revenue of Rs. 2,347.72 Lakhs and profit after tax of Rs. 402.58 Lakhs in the last year.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES

The performance and financial position of “**IFL Housing Finance Limited**” (Subsidiary) for the financial year 2022-22 are mentioned below:

The Particulars of Subsidiaries, Associates and Joint Ventures read with Companies (Accounts) Rules, 2014 are attached herewith in Form AOC – 1 as **Annexure-V**.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statement provided in this Annual Report.

PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES

The Company has entered into any contract and arrangements with related party and complied with the provisions of section 188 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Details of Such Contracts and Arrangements are enclosed as **Annexure-V** in Form AOC-2.

The policy on Related Party Transactions is displayed on the website of the Company and the web link is <http://www.indiafinsec.in/investors-info/>.

CORPORATE GOVERNANCE CERTIFICATE

The Company believes that the essence of Corporate Governance lies in the phrase “Your Company”. It is “Your” Company because it belongs to you “the Shareholders”. The Chairperson and Directors are “Your” fiduciaries and trustees. Their objective is to take the business forward in such a way that it maximizes “Your” long term value. Besides adhering to the prescribed Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company also endeavors to share information with its stakeholders openly and transparently on matters which have a bearing on its economic and reputational interest. The Corporate Governance Report is a part of this Annual report.

A certificate from VMS & Co., Practicing Company Secretaries confirming Compliance to the conditions of Corporate Governance as stipulated under Para E Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed to this Annual Report.

PARTICULARS OF EMPLOYEES

None of the employees of the Company were in receipt of remuneration in excess of limits as prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are mentioned below:

(A) Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

1. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, Ratio of remuneration of Directors to the Median Remuneration of employees.

Name of the Director/ and KMP	Designation	Remuneration (Rs. in Lac) 2022-23	Increase (%)	Ratio of Director's Remuneration to Median remuneration including Managing Director
Mr. Gopal Bansal	Managing Director	0.00	Nil	0
Mr. Manoj Kumar Gupta	CFO	9.60		2.58
Mr. Vijay Kumar Dwivedi	Company Secretary	0.00	0.00	0.00

No other directors are in receipt of remuneration except sitting fees.

2. Median remuneration of employees of the Company including Managing Director are Rs. 3,72,290/-for the financial year 2022-23.
3. The Percentage increase in median remuneration of employees (including Managing Director) is Nil.
4. Number of permanent employees on the rolls of the Company: 4 (As at March 31, 2023).
5. Affirmation Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel is as per the remuneration policy of the Company.

(B) Statement of particulars of employees pursuant to Rule 5(2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 – N.A.

(C) Statement of particulars of employees pursuant to Rule 5(3) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014- N.A.

PREVENTION OF SEXUAL HARRASEMENT OF WOMEN AT WORKPLACE

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace and has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case was reported during the year under review.

DIRECTOR'S RESPONSIBILITY STATEMENT



Pursuant to the provisions of Section 134 (3) & (5) of the Act, the Board of Directors confirms that, to the best of its knowledge and belief:

- 1) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- 2) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for that period;
- 3) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- 4) the Directors have prepared the annual accounts on a going concern basis;
- 5) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- 6) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws including applicable secretarial standards and that such systems were adequate and operating effectively.

PREVENTION OF INSIDER TRADING

The Company has a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

CODE OF CONDUCT

The Board of Directors has laid down the Code of Conduct which is applicable to members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website www.indiafinsec.in. The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

PRUDENTIAL NORMS & DIRECTIONS OF RBI FOR NBFCS

Your company has complied with all the requirements prescribed by the Reserve Bank of India and has filed the required returns.

DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER –SE

None of the Directors are related to each other.



CAUTIONARY NOTE

The statements forming part of the Board's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

SECRETARIAL STANDARDS

The Company complies with all applicable secretarial standards.

ACKNOWLEDGEMENT

The Directors express their sincere gratitude to the Reserve Bank of India, Securities and Exchange Board of India, BSE Limited, Ministry of Corporate Affairs, Registrar of Companies, other government and regulatory authorities, lenders, financial institutions and the Company's bankers for the ongoing support extended by them. The Directors also place on record their sincere appreciation for the continued support extended by the Company's stakeholders and trust reposed by them in the Company. The Directors sincerely appreciate the commitment displayed by the employees of the Company and its subsidiaries across all levels, resulting in successful performance during the year

**By the Order of the Board
For India Finsec Limited**

**Date: 31.07.2023
Place: Delhi**

**Gopal Bansal
Managing Director
DIN-01246420**

**Mukesh Sharma
Director
DIN-00274217**

SECRETARIAL AUDIT REPORT
(Form No. MR-3)

For the Financial Year Ended 31.03.2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
India Finsec Limited
D-16, First Floor, Above ICICI Bank,
Prashant Vihar, Sector-14, Rohini,
New Delhi-110085

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s India Finsec Limited (CIN: L65923DL1994PLC060827)** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31/03/2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s India Finsec Limited** (“the Company”) for the financial year ended on 31/03/2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) (Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the Audit Period)**).
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the company during the Audit Period)**.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the company during the Audit Period)**.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the Audit Period)**.



(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the Audit Period).**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the company during the Audit Period).**

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI) and notified by Central Government.

(ii) The Listing Agreements [“Listing Regulations” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015] entered into by the Company with BSE Limited

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, Standards etc.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and no dissenting members’ views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there are no specific events / actions having a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Jain & Sharan LLP

CS Megha Sharan

Partner

M. No.: F9802

C P No.: 12171

Date: 31.07.2023

Place: New Delhi

UDIN: F009802E000713771

Note: This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report.



ANNEXURE A' TO THE SECRETARIAL AUDIT REPORT

To,
The Members,
India Finsec Limited
D-16, First Floor, Above ICICI Bank,
Prashant Vihar, Sector-14, Rohini,
New Delhi-110085

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Jain & Sharan LLP

Date: 31.07.2023
Place: New Delhi
UDIN: F009802E000713771

CS Megha Sharan
Partner
M. No.: F9802
C P No.: 12171



SECRETARIAL AUDIT REPORT

Form No. MR-3

For The Financial Year Ended 31.03.2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members

IFL HOUSING FINANCE LIMITED

(CIN: U65910DL2015PLC285284)

D-16, 1st Floor, Above ICICI Bank, Prashant Vihar,

Sector-14, Rohini, New Delhi-110085

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IFL HOUSING FINANCE LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and as produced before us, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st day of March, 2023, (the audit period) complied with the statutory provisions listed hereunder and also that the Company has a Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IFL Housing Finance Limited ("The Company") and as produced before us for the financial year ended on 31st Day of March, 2023 (audit period) according to the provisions of:

- I. The Companies Act, 2013 (the Act) including any amendment thereto and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; **(Not applicable to the Company during the period under review)**
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(The Company did not have any Foreign Direct Investment during the financial year);**
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company : **(All the following Regulations including amendments, statutory modification or re-enactment thereto if any, from time to time are not applicable to the Company during the period under review);**



- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including any amendment thereto
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments thereof and other applicable rules, regulations, and other communications issued from time to time.

VI. Other laws applicable to the Company:-

NHB Guidelines, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employee State Insurance Act, 1948, The Employees Provident Fund and Miscellaneous Provisions Act, 1952, The Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Contract Labour (Regulation and Abolition) Act, 1970, The Maternity Benefits Act, 1961,

The Information Technology Act, 2000, The Income Tax Act, 1961, Weekly Holiday Act, 1942, Goods and Services Tax (GST), The Sexual Harassment of Women at workplace (Prevention Prohibition and Redressal) Act, 2013 & amendments thereunder and other laws applicable to the Company as per the representations made by the Company, if any.

We have also examined compliance with the applicable provisions of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereto. **(Not applicable to the Company during the period under review).**

During the period under review and as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice to schedule the Board Meetings, agenda and detailed notes on agenda were sent to all directors at least seven days in advance or within prescribed time as the case may be, and a system exists for



seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board Meetings, as represented by the management and explanations given to us, were taken unanimously/requisite majority. As per the minutes of the meetings, duly recorded and signed by the Chairman, the decisions of the Board were unanimous/with requisite majority and no dissenting views have been recorded.

We further report that, as representation made by the Management of the company and based on the information received and records maintained by the Company, there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that, during the audit period:-

1. The Company has made re-appointment of Mr. Gopal Bansal as Managing-Director of the Company during the period under review.
2. The Company has made re-appointment of Mrs. Sunita Bansal as Whole-time-Director of the Company during the period under review.
3. The Company has offered and issued the 54, 49,600 Equity Shares to its existing shareholders on Rights Basis on 20th February, 2023 during the period under review.

**For SARITA SINGH & ASSOCIATES
(Company Secretaries)**

**Sarita Singh
(Proprietor)
M. No-55937
COP-24682
UDIN- A055937E000482990
Date: 13/06/2023
Place: Faridabad**

*This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



‘ANNEXURE A’

To,
The Members
IFL HOUSING FINANCE LIMITED
(CIN: U65910DL2015PLC285284)
D-16, 1st Floor, Above ICICI Bank, Prashant Vihar,
Sector-14, Rohini, New Delhi-110085

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit to the extent there are shown to us during the Audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SARITA SINGH & ASSOCIATES
(Company Secretaries)

Sarita Singh
(Proprietor)
M. No-55937
COP-24682
UDIN- A055937E000482990

Date: 13/06/2023
Place: Faridabad



(Annexure-III)

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31.03.2023
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

i.	CIN	L65923DL1994PLC060827
ii.	Registration Date	10.08.1994
iii.	Name of the Company	India Finsec Limited
iv.	Category/Sub-Category of the Company	Company Limited by Shares/Indian Non-Government Company
v.	Address of the Registered office and contact details	D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 Telephone No.- 8595010101/011-45805612 Email:- indiafinsec@gmail.com Website:- www.indiafinsec.com
vi.	Whether listed company	Yes (Listed at BSE Limited)
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Skyline Financial Services Private Limited D-153A, First Floor, Okhla Industrial Area, Phase-1, New Delhi-110020 Telephone No. 011- 011-26812682, 83, 011-64732681 to 88 Website- www.skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Providing Finance (Long & Short Term)	64920	62.63
2	Dealing in Shares & Securities	64920	37.36

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	IFL Housing Finance Limited D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	U67100DL2009PLC186958	Subsidiary	62.72%	2(87)



IV. SHARE HOLDING PATTERN (Equity Share capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (31.03.2022)				No. of Shares held at the end of the year (31.03.2023)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
<i>1) Indian</i>									
a) Individual/ HUF	7900476	0	7900476	31.68	8290476	0	8290476	33.24	1.56
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	4796597	0	4796597	19.23	5555325	0	5555325	22.27	3.04
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other									
Subtotal(A)(1):-	12697073	0	12697073	50.91	13845801	0	13845801	55.51	4.60
<i>2) Foreign</i>									
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	12697073	0	12697073	50.91	13845801	0	13845801	55.51	4.60
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp. (i) Indian	2459119	770400	3229519	12.95	3421009	0	3421009	13.72	0.77



(ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	683189	1	683190	2.74	459793	1	459794	1.84	-0.90
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	7194999	439750	7634749	30.61	6363631	439750	6803381	27.28	-3.33
c) Others									
a) HUF	695901	0	695901	2.79	410704	0	410704	1.65	-1.14
b) Clearing Members	53	0	53	0	11	0	11	0	0
others	900	0	900	0.00	900	0	900	0	0
Non Resident Indian	330	0	330	0.0	115	0	115	0	0
Sub-total(B)(2)	11034491	1210151	12244642	49.09	10656163	439751	11095914	44.49	-4.60
Total Public Shareholding (B)=(B)(1)+(B)(2)	11034491	1210151	12244642	49.09	10656163	439751	11095914	44.49	-4.60
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total(A+B+C)	23731564	1210151	24941715	100	24501964	439751	24941715	100	0

(ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2022)			Shareholding at the end of the year (31.03.2023)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Fidelo Foods Pvt. Ltd.	4537050	18.19	0	4537050	18.19	0	0
2.	Mukesh Sharma	1292540	5.18	0	1292540	5.18	0	0
3.	Gopal Bansal	4015741	16.10	0	4015741	16.10	0	0
4.	Manoj Sharma	760665	3.05	0	760665	3.05	0	0
5.	Sunita Bansal	1295530	5.19	0	1295530	5.19	0	0
6.	Gopal Bansal HUF (Promoter Group)	395000	1.58	0	395000	1.58	0	0
7.	Daisy Distributors Pvt. Ltd.	259547	1.04	0	1018275	4.08	0	+3.04
8.	Ganga Devi Bansal	141000	0.57	0	531000	2.13	0	+1.56



Total	12697073	50.91	0	13845801	55.51	0	+4.60
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(iii) Change in Promoters' Shareholding (please specify, If there is no change)

Sr. no 1.	Fidelo Foods Private Limited(Promoter Group)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4537050	18.19	4537050	18.19
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	4537050	18.19	4537050	18.19
Sr. no 2	Mukesh Sharma (Promoter)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1292540	5.18	1292540	5.18
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	1292540	5.18	1292540	5.18
Sr. no 3.	Gopal Bansal (Promoter)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4015741	16.10	4015741	16.10
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	4015741	16.10	4015741	16.10
Sr. no 4.	Manoj Sharma(Promoter Group)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4015741	16.10	4015741	16.10
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	4015741	16.10	4015741	16.10



		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	760665	3.05	760665	3.05
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				0.33
	At the End of the year	760685	3.05	760685	3.05
Sr. no 5.	Sunita Bansal (Promoter Group)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1295530	5.19	1295530	5.19
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	1295530	5.19	1295530	5.19
Sr. no 6.	Gopal Bansal HUF (Promoter Group)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	395000	1.58	395000	1.58
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	395000	1.58	395000	1.58
Sr. no 7.	Daisy Distributors Pvt. Ltd. (Promoter Group)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	259547	1.04	259547	1.04
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	12.08.2022 purchase of 758728	3.04	758728	3.04
	At the End of the year	1018275	4.08	1018275	4.08
Sr. no 8.	Ganga Devi Bansal (Promoter Group)	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company



	At the beginning of the year	141000	0.57	141000	0.57
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	24.02.2023 purchase of 390000	1.56	390000	1.56
	At the End of the year	1018275	2.13	1018275	2.13

(iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

Sr. no	Name of Shareholder	Shareholding at the beginning of the year (as on 01.04.2022)		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01.04.2022-31.03.2023)	
		No. of shares at the beginning (01-04-2022/ end of the year (31-03-2023))	% of total shares of the company				No. of shares	% of total shares of the company
1	Tia Enterprises Private Limited	1337129	5.36	01.04.2022			1337129	5.36
		77048	0.31	17.03.2023	0.31	Purchase	77048	0.31
		1414177	5.67	31.03.2023			1414177	5.67
2	Murli Dhar	779250	3.12	01.04.2022			779250	3.12
		100		10.03.2023		Sale	779150	3.12
		47000	0.19	31.03.2023		Purchase	8261150	3.31
		8261150	3.31	31.03.2023			8261150	3.31
3	Precious Tradeways Pvt. Ltd	0	0.00	01.04.2022	-	-	0.00	0.00
		183152	0.73	29.04.2022	0.73	Purchase	183152	0.73
		581397	2.34	30.09.2022	2.34	Purchase	764549	3.07
		10000	0.04	21.10.2023	0.04	Purchase	774549	3.11
		20000	0.08	04.11.2023	0.08	Purchase	794549	3.19
		20000	0.08	27.01.2023	0.08	Purchase	814549	3.27
		10000	0.04	10.03.2023	0.04	Purchase	824549	3.31
824549	3.31	31.03.2023	-	-	824549	3.31		
4	Kajal Jindal	721500	2.89	01.04.2022	-	-	721500	2.89
		No Movement						
		721500	2.89	31.03.2023	-	-	721500	2.89
5	Radhey Kishan	674267	2.70	01.04.2022	-	-	674267	2.70
		No Movement						
		674267	2.70	31.03.2023	-	-	674267	2.70



6	Kailash Chand Jangid	589006	2.36	01.04.2022			589006	2.36	
		30000	0.12	27.05.2022		Purchase	619006	2.48	
		10000	0.04	30.12.2022		Purchase	629006	252	
		629006	252	31.03.2023			629006	252	
7	Bhupesh Kumar Jindal	248688	1.00	01.04.2022			248688	1.00	
		209325	084	13.05.2022		Purchase	458013	1.84	
		458013	1.84	31.03.2023	-	-	458013	1.84	
8	Jai Ambe Tradexim Pvt. Ltd.	0	0	01.04.2022			0	0	
		384901	1.54	24.02.2023		Purchase	384901	1.54	
		489	0.01	03.06.2023		Purchase	385390	1.55	
		100	-	10.03.2023		Purchase	385490	1.55	
		100	-	17.03.2023	-	Purchase	385590	1.55	
		1	-	31.03.2023		Sale	385589	1.55	
		385589	1.55	31.03.2023			385589	1.55	
9	Rinku Goyal	300850	1.21	01.04.2022			300850	1.21	
		No Movement							
		300850	1.21	31.03.2023			300850	1.21	
10	Technofab Construction Pvt. Ltd.	262000	1.05	01.04.2022			262000	1.21	
		No Movement							
		262000	1.05	31.03.2023			262000	1.21	

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Gopal Bansal Managing Director				
	At the beginning of the year	4015741	16.10	4015741	16.10
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	0	0	0	0
	At the End of the year	4015741	16.10	4015741	16.10
2	Mr. Mukesh Sharma Director				
	Shareholding at the beginning of the year				
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1292540	5.18	1292540	5.18



	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	1292540	5.18	1292540	5.18
3.	Ms. Himanshi Kashyap Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
4	Mr. Devi Dass Agarwal Independent Director	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
5.	Ms. Purva Mangal (Independent Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year Shareholding at the beginning of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0



	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	0	0	0	0
6	Mr. Amit Kumar Agarwal (Independent Director)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	36750	0.15	36750	0.15
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc)				
	At the End of the year	36750	0.15	36750	0.15
7	Mr. Manoj Kumar Gupta CFO	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	00	0	0	0
8	Mr. Vijay Kumar Dwivedi Company Secretary	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	0	0	0	0



Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
At the End of the year	0	0	0	0

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	2,25,29,094	0	2,25,29,094
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	2,25,29,094	0	2,25,29,094
Change in Indebtedness during the financial year				
- Addition	0	0	0	0
- Reduction	0	1,35,72,079	0	1,35,72,079
Net Change	0	1,35,72,079	0	1,35,72,079
Indebtedness at the end of the financial year				
i) Principal Amount	0	74,00,000	0	74,00,000
ii) Interest due but not paid	0	15,57,015	0	15,57,015
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	89,57,015	0	89,57,015

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Gopal Bansal	



1.	Gross Salary		
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	(b)Value of perquisites u/s17(2) of the Income-taxAct,1961	0	0
	(c)Profits in lieu of salary undersection17(3) of the Income- taxAct,1961	0	
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission		
	- as % of profit	0	0
	- Others, specify...	0	0
5.	Others, please specify	0	0
6.	Total(A)	0	0
	Ceiling as per the Act	NA	

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Amit Kumar Agarwal	Ms. Himanshi Kashyap	Mukesh Sharma	Ms. Purva Mangal	Mr. Devi Dass Agarwal	
	Independent Directors						
	-Fee for attending board/committee meetings	20000	12000	0	23000	12000	57000
	-Commission	0	0	0	0	0	0
	-Others, please specify	0	0	0	0	0	0
	Total(1)	20000	12000	0	23000	12000	57000
	Other Non-Executive Directors						
	-Fee for attending board committee meetings	0		18000	0	0	18000
	-Commission	0		0	0	0	0
	-Others, please specify	0		0	0	0	0



Total(2)	0		18000	0	0	18000
Total(B)=(1+2)	20000	12000	18000	0	0	85000

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Vijay Kumar Dwivedi	Mr. Manoj Kumar Gupta, CFO	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	960000	960000
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	0	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.		0		
5.	Commission			
	- as % of profit	0	0	0
	- others, specify...	0	0	0
6.	Others, please specify	0	0	0
	Total	0	960000	960000

VI. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD /NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty					
Punishment			NIL		
Compounding					
B. Directors					
Penalty					
Punishment			NIL		



Compounding					
C. Other Officers In Default					
Penalty					
Punishment			NIL		
Compounding					

By the Order of the Board
For India Finsec Limited

Date: 31.07.2023
Place: Delhi

Gopal Bansal
Managing Director
DIN-01246420

Mukesh Sharma
Director
DIN-00274217



(Annexure-IV)

Nomination and Remuneration Policy

Our Policy is on the appointment and remuneration of directors, Key Managerial Personnel and other senior management team for providing equitable remuneration to the directors and to recommend the qualified directors to the Board. The nomination and remuneration policy is provided herewith pursuant to Section 178(4) of the Companies Act, 2013. The Policy is also available on the website of the company.

Objectives

This policy is framed with the following objectives:

- The remuneration of the Whole Time Directors/Executive Directors is fixed by the Remuneration Committee as constituted. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.
- To specifies remuneration packages for Whole-time Directors including pension rights and compensation payments.
- The Non-Executive Directors are not paid any remuneration. They are only entitled to sitting fees for attending Board and Committee Meetings.
 - To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
 - The policy also addresses the following items:
 - Committee member qualifications;
 - Committee member appointment and removal;
 - Committee structure and operations; and
 - Committee reporting to the Board.
 - To formulate the criteria for evaluation of performance of all the Directors on the Board;

Constitution of Nomination and Remuneration Committee

The Board has constituted the “Nomination Committee” of the Board on October 18, 2013 and renamed as “Nomination and Remuneration Committee” on May 30, 2014. This is in line with the requirements under the Companies Act, 2013.

The Committee currently comprises of:-

Name	Designation in Committee	Nature of Directorship
Mr. Amit Kumar Agarwal	Chairman	Non-Executive Independent Director
Ms. Purva Mangal	Member	Non-Executive Independent Director
Mr. Mukesh Sharma	Member	Non-Executive Director

The Board reconstituted the Committee on 03.10.2019 and has the authority to reconstitute the Committee from time to time.



Role and Powers of the Committee

The Nomination & Remuneration committee has been constituted to recommend/review remuneration of Directors and key managerial personnel based on their performance and defined assessment criteria.

The remuneration policy of our Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

The role and power of Nomination and Remuneration Committee shall include but shall not be restricted to the following:

- Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;
- Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;
- Make recommendations to the Board on appropriate criteria for the Directors. Formulate the criteria and framework for evaluation of performance of every director on the Board of the Company.
- Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.
- To recommend to the Board, the remuneration packages of the Company's Managing / Joint Managing / Deputy Managing / Whole time / Executive Directors, including all elements of remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/Deputy Managing/Whole-time/ Executive Directors, including pension rights and any compensation payment;
- To implement, supervise and administer any share or stock option scheme of the Company;
- To attend to any other responsibility as may be entrusted by the Board within the terms of reference.

Policy for appointment, term, removal and retirement of Managerial Personnel, Director, KMP and Senior management

Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his /her appointment.



- A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion
- to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director/ Independent Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- In case of Independent director shall ensure that he/she possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance , technical operations or other disciplines related to the company's business.

Term/ Tenure

- **Managing Director / Whole-time Director**

The Company shall appoint or re-appoint any person as its Managing Director and CEO or Whole-time Director for a term not exceeding five years at a time. No re appointment shall be made earlier than one year before the expiry of term.

- **Independent Director**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for five years or more in the Company as on April 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of five years only.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.



Removal

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

Retirement

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position / remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

Policy relating to Remuneration of Directors, Managerial personnel, KMP and Senior Management

- The remuneration / compensation / commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
- The remuneration and commission, if any, to be paid to the Directors, Managing Director and senior management shall be in accordance with the provisions of the Companies Act, 2013, and the rules made thereunder.
- Increments to the existing remuneration / compensation, structure may be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managing Director.
- Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

Remuneration to Directors, KMPs and other employees

The policy on remuneration for KMPs and other employees is as below:-

- The Remuneration/Compensation/Profit linked Incentive etc. to Directors, Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as



may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. f. Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.
- Increments if declared will be effective from 1st April of each financial year in respect of Managerial Personnel,
- KMP, Senior Management subject to other necessary approvals from statutory authorities as may be required.
- Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

Increments

- Salary increase is given to eligible employees based on position, performance and market dynamics as decided from time to time.

Remuneration to Non –Executive/Independent Directors

- No monthly remuneration to be paid to Non-Executive/ Independent Director.
- The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

Monitoring, Evaluation and Removal

Evaluation

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on yearly basis.



- **Removal**

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

- **Minutes of Committee Meeting**

Proceedings of all meetings must be minute and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

Policy Review

This policy is framed based on the provisions of the Companies Act, 2013 and rules made thereunder.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy in consistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the committee. Any change or modification on the policy as recommended by the committee would be given for approval of the Board of Directors.

Disclosure

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

**By the Order of the Board
For India Finsec Limited**

**Gopal Bansal
Managing Director
DIN-01246420**

**Mukesh Sharma
Director
DIN-00274217**

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part “A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lakhs)

Sl. No.	Particulars	Details
1.	Name of the Subsidiary	IFL Housing Finance Limited
2.	The date since when subsidiary was acquired	17.09.2015
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
4.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	-
5.	Share Capital	6,592.30
6.	Reserves & Surplus	2,895.54
7.	Total Assets	27,609.01
8.	Total Liabilities	18,121.17
9.	Investments	100.50
10.	Turnover	4,576.70
11.	Profit before taxation	624.97
12.	Provision for taxation	177.58
13.	Profit after taxation	447.39
14.	Proposed Dividend	0.00
15.	Extent of shareholding (in percentage)	62.72

Part “B”: Associates and Joint Ventures: N.A.

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	
1. Latest audited Balance Sheet Date	
2. Date on which the Associate or Joint Venture was associated or acquired	
3. Shares of Associate/Joint Ventures held by the company on the year end No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding (in percentage)	
4. Description of how there is significant influence	
5. Reason why the associate/joint venture is not consolidated	
6. Net worth attributable to shareholding as per latest audited Balance Sheet	
7. Profit/Loss for the year	
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

By the Order of the Board
For India Finsec Limited

Date: 31.07.2023

Place: New Delhi

Gopal Bansal
Managing Director
DIN-01246420

Mukesh Sharma
Director
DIN-00274217



(Annexure-V)

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

(a) Name(s) of the related party and nature of relationship	Not Applicable
(b) Nature of contracts/arrangements/transactions	
(c) Duration of the contracts / arrangements/transactions	
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	
(e) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

2. Details of material contracts or arrangement or transactions at arm's length basis

Name of related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of contract	Salient Terms	Date of Approval by the Board	Amount (in 000's)
IFL Housing Finance Limited	Corporate Guarantee	2022-23	To provide Corporate Guarantee to various Lenders	25.04.2022	760000.00
	Loan given	2022-23	-	25.04.2022	3,003.35
	Repayment Received	2022-23	-	25.04.2022	3,673.42
	Interest Received	2022-23	-	25.04.2022	219.92
Gopal Bansal, Managing Director	Loan Taken	2022-23	-	25.04.2022	25,428.99
	Loan Repaid	2022-23	-	25.04.2022	25,428.99
	Interest paid	2022-23	-	25.04.2022	66.79
Mr. Manoj Kumar Gupta (CFO)	Remuneration Given	-	-	30.05.2019	960.00

For India Finsec Limited

Date: 31.07.2023

Place: New Delhi

Gopal Bansal
Managing Director
DIN-01246420

Mukesh Sharma
Director
DIN-00274217



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian Economy Overview

Despite the distressed global economic landscape, the Indian economy is expected to grow at a robust 7% (in real terms) during the year ending March 2023, after posting a growth of 8.7% in FY 2021-22 according to the Economic Survey – 2023.

Some of the growth drivers were the credit growth to the MSME sector, which was remarkably high, at over 30.5% on average, during Jan-Nov 2022. The capex of the central government, which increased by 63.4% in the first eight months of FY 2022-23, was another growth driver of the Indian economy. The optimistic growth forecasts also stem from a number of positives like the rebound of private consumption, which led to a boost in production activity

Another factor that contributed to growth was the near universal vaccination coverage, which enabled people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas. Private consumption as a percentage of GDP stood at 58.4% in Q2 of FY 2022-23, the highest among the second quarters of all the years since FY 2013-14, supported by a rebound in contact-intensive services.

The return of migrant workers to cities, to work in construction sites, led to a significant decline in housing market inventory. This was also supported by a strengthening of the balance sheets of corporates and the robust capitalisation of public sector banks, which were ready to increase their credit supply.

While several advanced economies struggling with banking sector turmoil, bank failures, and contagion risks, the Indian banking and non-banking financial service sectors remained healthy, and financial markets evolved in an orderly manner, according to the Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI).

OUTLOOK

Global growth is forecasted to slow from 3.4% in 2022 to 2.8% in 2023 as per International Monetary Fund's (IMF) World Economic Outlook, April 2023. A sustained inflation in many economies, rising interest rates and negative global spillover effects from the war in Ukraine is expected to dampen trade growth in the calendar year 2023. This is reflected in the lower global trade growth forecast by the World Trade Organisation at 1% in 2023 from 3.5% in 2022.

The Indian economy is expected to witness GDP growth of 6.0% to 6.8% in FY 2023-24, depending on the trajectory of economic and political developments globally, according to the Economic Survey 2023. The survey also projects a baseline GDP growth of 6.5% in real terms in FY 2023-24. The RBI projects headline inflation at 6.8% in FY 2022-23, which is outside its target range. A surge in the growth of exports in FY 2021-22 and the first half of FY 2022-23 resulted in acceleration in production.

Looking ahead, the RBI MPC expects that higher rabi production will improve the prospects for the agriculture sector and rural demand, while steady growth in contact-intensive services is likely to drive urban demand. If these impulses play out, the consumption story will continue to power growth. Moderating commodity prices are also providing tailwinds.

Manufacturing and investment activity are expected to provide a strong thrust to growth, with the government's focus on capital expenditure and capacity utilisation reaching above its long-period average. The only concern is that despite the positive outlook, the global headwinds could impact the Indian economy through a drag from net external demand. To monitor these positive and negative risks, the RBI assured that it will continue to balance financial conditions in line with the productive requirements of the economy, even as monetary policy moves decisively to withdraw accommodation. The MPC predicts real GDP growth of 6.5% for 2023-24, with the overall outlook remaining dynamic and fast-evolving.



POSSIBLE THREATS

Technology has been the most disruptive component in the broking industry. For brokerages to sustain in the business, adapting to changing realities and focusing on adding value to investors hold the key. Redundancy due to constant technological and digital advancement remains a threat to the broking industry. New market entrants always are breaking through established markets, coming up with more customer friendly solutions developed from the scratch and unencumbered by legacy systems. Customers always demand better services, seamless experiences regardless of channel, and more value for their money.

RISK & CONCERNS

Being a NBFC, India Finsec Limited is exposed to various types of risks like interest rate volatility, economic cycle, credit risk, market risk, operational risk and other external risk. Such risks are matter of concern for every NBFC. Many of the large corporate houses and banks have also diversified into lending and lending related businesses focusing into niche segments. However, with a rise in number of players, the competition in sector has intensified and impact of stiff competition in the market needs to be observed NBFCs faces high competition from public sector, private sector and foreign banks competing in similar markets. Banks play an important role in smooth functioning of the economy and provide funding to corporate and individuals. Thus, stability of businesses and individuals is crucial for the banking industry. In this scenario, a global slowdown would affect small and mid-size companies more acutely. Business loans especially to these small and medium enterprises are at risk due to the forced shutdown.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The company has constituted Audit Committee for guidance and proper control of affairs of the company.

HUMAN RESOURCES

Human Resources are highly valued assets at **India Finsec Limited**. The company seeks to attract, retain and nurture technical & managerial talent across its operations and continues to create, sustain the environment that brings out the best in our people with emphasis on training, learning & development. It aims at career progression and fulfilling satisfactory needs. Performance is recognized and rewarded through up gradation & job enrichment, performance incentives.

The Company strongly believes that in a service industry like banking and finance, it is only through people and their contributions that most of the objectives like offering products to various customer groups and servicing the poor can be achieved. Your Company believes in spreading the risk, and financing of Loans, Inter Corporate Deposits, and Funding of IPO etc. The Management has a healthy relationship with the officers and the Employees.

SEGMENT-WISE PERFORMANCE

The Company is exclusively engaged in the Non-Banking Finance activities and revenues are mainly derived from this activity. The details with regard to segment performance of the Company are mentioned in the notes forming part of the Financial Statements

FINANCIAL PERFORMANCE AND OPERATIONAL PERFORMANCE

The Company is engaged primarily in the business of advancing loans and investing/trading in securities. We provide tailor-made services to our clients. During the Financial Year 2022-23, under consideration the performance of the Company was remarkable. The Company has recorded profit of Rs. 12,96,430/- for the year 2022-23 and the Total



Revenue for the year ended March 31, 2023 is Rs. 68,04,290/-. The Company is planning to increase its investment strategy for the growth of the business.

SIGNIFICANT CHANGES IN FINANCIAL RATIO

During the year following significant changes have been taken place in the financial ratios on a standalone basis and consolidated basis:

On standalone Basis:

S.No.	Particulars	31st March 2023	31st March 2022	% change from March 31, 2022 to March 31, 2023
12	Capital to risk -weighted asset ratio (CRAR)	0.04	0.11	-64.02%
13	Tier I CRAR	0.04	0.11	-64.02%
14	Tier II CRAR	0.00	0.00	0.00%
15	Liquidity Coverge Ratio	77.28	69.86	10.62%

Reasons for variance of more than 25% in above ratios

(i)	Capital to risk -weighted asset ratio (CRAR)	Investment increased
(ii)	Tier I CRAR	Investment increased

On Consolidated Basis:

S.No.	Particulars	As at 31st March 2023	As at 31st March 2022	% change from March 31, 2022 to March 31, 2023
1	Capital to risk -weighted asset ratio (CRAR)	0.22	0.33	-27.30%
2	Tier I CRAR	27,23,864.46	17,49,547.71	51.07%
3	Tier II CRAR	-	-	0.00%
4	Liquidity coverge ratio	-0.08	0.05	-13.42%

Reasons for variance of more than 25% in above ratios

1	Capital to risk -weighted asset ratio (CRAR)	Due to increase in risk weighted asset.
2	Tier I CRAR	Due to increase in risk weighted asset.

RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ



from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

**By the Order of the Board
For India Finsec Limited**

**Date: 31.07.2023
Place: Delhi**

**Gopal Bansal
Managing Director
DIN-01246420**

**Mukesh Sharma
Director
DIN-00274217**



CORPORATE GOVERNANCE REPORT

In compliance with Regulation 34(3) and Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) the Company submits the following report:

1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors believes that it is imperative to manage affairs of the company with the prime objective of maximization of shareholders wealth and other stakeholders of the company. The Listing Agreement as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, entered into by the Company with the Stock Exchange contemplates compliance with the Code of Corporate Governance. The Company conducts its affairs with a blend of the following aspects in their required proportions:

- Prudence
- Transparency
- Accountability
- Impartial treatment for all Stakeholders.
- Operating under the purview of the statute.
- Ethical Practices
- Shareholder’s Wealth Maximization

The Company has established systems and procedures to ensure that its Board of Directors is well informed and well equipped to discharge its overall responsibilities and provide the management with strategic direction catering to exigency of long term shareholders value. The Company has fully complied with all the existing regulations prescribed by the Securities Exchange Board of India in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company is committed to good corporate governance which strengthens Board and management accountability and helps build public trust in the Company.

As a part of the compliances of the “**Listing Regulations**” as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company presents hereunder the required disclosures in the form of a Report for information of all the stakeholders.

2. BOARD OF DIRECTORS

The Board of **India Finsec Limited** comprises of six directors consisting of four Independent Directors (Non-Executive) and one is Managing Director and another one is Non-Executive, Non-Independent Director.

Details of composition of the Board, category, attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), number of other Directorships as on March 31, 2023 are given below:

Composition and Category of Directors:

- The composition of board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2023 have been made by the Directors.



- Number of directorships and committee Chairmanships/Memberships held by them in other public limited companies as on March 31, 2023 are given below. Other directorships do not include directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

Name	Designation	Category	No. of other Directorships in public listed entities	Attendance at Board Meetings	Number of committee positions held in other Public Companies		Attendance at previous AGM
					Memberships	Chairman	
Mr. Gopal Bansal	Managing Director	Executive Director	-	Yes	4	0	Yes
Mr. Mukesh Sharma	Director	Non-Executive Director	-	Yes	0	0	Yes
Ms. Purva Mangal	Independent Director	Non-Executive Director	-	Yes	0	0	Yes
Ms. Himanshi Kashyap	Independent Director	Non-Executive Director	-	Yes	-	-	Yes
Mr. Amit Kumar Agarwal	Independent Director	Non-Executive Director	-	Yes	4	4	Yes
Mr. Devi Dass Agarwal	Independent Director	Non-Executive Director	-	Yes	1	-	No

➤ Meetings of the Board of Directors

The Board of Directors met Thirteen (17) times i.e. 25-04-2022, 26-05-2022, 28-05-2022, 23-06-2022, 18-07-2022, 30-07-2022, 05-08-2022, 22-08-2022, 05-09-2022, 28-09-2022, 21-10-2022, 14-11-2022, 30-01-2023, 14-02-2023, 14-03-2023, 29-03-2023 and 31-03-2023 during the financial year 2022-2023 respectively.

Name	Designation	Category	Board Meetings during the period & Attendance at Board Meetings	
			Held	Attended
Mr. Gopal Bansal	Managing Director	Executive Director	17	16
Mr. Mukesh Sharma	Director	Non-Executive Director	17	16
Ms. Purva Mangal	Independent Director	Non-Executive Director	17	12
Ms. Himanshi Kashyap	Independent Director	Non-Executive Director	17	13
Mr. Amit Kumar Agarwal	Independent Director	Non-Executive Director	17	11
Mr. Devi Dass Agarwal	Independent Director	Non-Executive Director	17	12

- Disclosure of relationship between director inter-se: None of the Directors are related to each other.



➤ **Detail of number of shares and convertible instruments, if any, held by Non-Executive Directors:**

Name of Non-Executive Director	Number of Shares
Ms. Charu Bansal (Non-Executive Independent Director)	0
Ms. Purva Mangal (Non-Executive Independent Director)	0
Mr. Amit Kumar Agarwal (Non-Executive Independent Director)	36750
Ms. Himanshi Kashyap (Non-Executive Independent Director)	0
Mr. Mukesh Sharma (Non-Executive Director)	1292540
Mr. Devi Dass Agarwal (Non-Executive Independent Director)	0
Total	1329290

➤ **Web Link where details of Familiarization Programmes imparted to Independent Directors is disclosed:**

The Company has conducted a familiarization programme for its Independent Directors during the year. The detail of such familiarization programme is available on the web link i.e. <https://www.indiafinsec.in/investors-info/>.

➤ **Skills/expertise/competence of the Board of Directors**

The Board comprises qualified Members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

- Leadership / Operations Strategic Planning Industry Experience,
- Technical,
- Research & Development and Innovation Global Business Finance & Legal Corporate Governance,
- Compliance & Risk Management.

➤ **Internal Control**

The Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/regulatory compliances.

➤ **Information supplied to the Board**

The Board members are given agenda papers along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

- Quarterly results of the Company
- Minutes of the Audit Committee and other Committee of the Board of Director
- Details of Agreements entered into by the Company
- Particulars of Non-Compliance of any statutory or Listing requirement
- Information on recruitment or remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.



➤ **Minutes of the Board Meeting**

The minutes of the proceedings of every Board and all committee meetings are prepared and approved/initialed by the Chairman within 30 days from the conclusion of the respective meeting.

➤ **Code of Ethics**

The Company has prescribed a code of ethics for its Directors and senior management personnel. A declaration by the Executive Director to the effect that all the Directors and the senior management personnel have complied with the Code of Ethics laid down for this purpose for the year 2022-2023 is given below:

➤ **Declaration – Code of Conduct**

This is to confirm that the Board of Directors has laid down a code of conduct for all Directors and Senior Management Personnel of the Company. It is further confirmed that all the Directors and senior management personnel of the Company have duly complied with the Company's Code of Conduct during the financial year 2022-2023 as required under **"Listing Regulations"** of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

3. BOARD COMMITTEES

The Board of Directors has set up committees of Directors to deal with various matters of specific nature which require concentrated and more focused attention and to arrive at quick and timely decisions in these matters.

The Board of Directors has delegated its certain powers to the committees of Directors and these committees shall exercise such power and give the report of the output to the Board for approval at subsequent meetings. The Board has constituted four committees viz. **Audit Committee, Nomination & Remuneration Committee, Risk Management Committee** and **Stakeholders Relationship Committee**.

➤ **AUDIT COMMITTEE**

Terms of Reference:

The terms of reference of the Audit committee include the following:

1. Review of the quarterly, half yearly and annual financial results of the Company before submission to the Board.
2. Overseeing the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
3. Holding periodic discussions with statutory auditors and internal auditors of the Company concerning the accounts of the company, internal control systems, scope of audit and observations of auditors.
4. Making recommendations to the Board on any matter relating to the financial management of the Company, including the audit report.
5. Recommendations with respect to appointment and removal of external auditors, fixation of audit fees and also approval of fee for any other services by the auditors.



6. Investigating into any matter in relation to items specified in section 177 of the Companies Act, 2013 or as may be referred to it by the Board and for this purpose to seek any relevant information contained in the records of the Company and also seek external professional advice if necessary.
7. Making recommendations to the Board on any matter relating to the financial management of the Company.

Composition of Audit Committee

Details of composition of the Audit Committee and attendance of the members at the meetings are given below:

Meetings of the Audit Committee and Attendance of the Members during 2022-2023

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Gopal Bansal	Member	5	5
Ms. Purva Mangal	Member	5	5
Mr. Amit Kumar Agarwal	Chairman	5	5

During the year, Six (5) Audit Committee meetings were held as on 28.05.2022, 05.08.2022, 05.09.2022, 14.11.2022, 14.02.2023 respectively.

The Company Secretary is the Secretary of the Committee. The Chief Financial Officer, Statutory Auditors and Internal Auditors are invited to attend the meetings.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. During the year all the directors, senior management personnel and other employees complied the vigil mechanism and none of the complaints are received against any directors and employees for any fraudulent dealings. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically. The Company has established a Vigil (Whistle Blower) mechanism that provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements incorrect or misrepresentation of any financial statements and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy has been posted on the website of the Company www.indiafinsec.in and the weblink is <https://www.indiafinsec.in/wp-content/uploads/2023/03/VIGIL-MECHANISM-WHISTLE-BLOWER-POLICY.pdf>.

➤ NOMINATION & REMUNERATION COMMITTEE

Terms of Reference

The Nomination & Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled for any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration



packages for Whole-time Directors including pension rights and compensation payments. The Committee also approves the Nomination & Remuneration Policy for employees other than Whole-time Directors as may be recommended to it. The Company has a regular appraisal Policy for all employees.

Composition

The Nomination & Remuneration Committee of the Company has constituted with three (3) directors.

Meetings of the Nomination & Remuneration Committee and Attendance of the Members during 2022-2023.

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Mukesh Sharma	Member	2	2
Ms. Purva Mangal	Member	2	2
Mr. Amit Kumar Agarwal	Chairman	2	2

During the year, three 1 (one) Nomination & Remuneration Committee meetings were held as on 05.08.2022, 05.09.2022 respectively.

Nomination & Remuneration Policy

The remuneration of the Executive Director is fixed by the Nomination & Remuneration Committee as constituted above. The Non-Executive Directors are not paid any remuneration. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.

It also includes:

- (a) attract, recruit, and retain good and exceptional talent;
- (b) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- (c) ensure that the remuneration of the directors, key managerial personnel and other employees is performance driven, motivates them, recognises their merits and achievements and promotes excellence in their performance;
- (d) motivate such personnel to align their individual interests with the interests of the Company, and further the interests of its stakeholders;
- (e) Fulfil the Company's objectives and goals, including in relation to good corporate governance, transparency, and sustained long-term value creation for its stakeholders.

Non-Executive Directors are only entitled to sitting fees for attending Board and Committee Meetings.

The Company has a Nomination & Remuneration Policy for its directors and senior management personnel under whom Nomination & Remuneration Committee functions and takes decision about the remuneration & perquisites of Directors.



(a) Details of Remuneration of all the Directors (2022-2023)

S. No.	Particulars of Remuneration	Name of MD/WTD	
		Gopal Bansal	Total Amount (Rs.)
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0 0 0	0 0 0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission - as % of profit - others, specify...	0	0
5.	Others, please specify	0	0
6.	Total(A)	0	0

(b) Details of Sitting Fees paid to Non-Executive Directors during the financial year 2022-2023

Name of the Director	Board Meeting (Rs)	Audit Committee Meeting (Rs)	Nomination & Remuneration Committee Meeting (Rs)	Stakeholders' Relationship Committee Meeting (Rs)	Risk Management Committee (Rs.)	Total (Rs.)
Mr. Mukesh Sharma						18000
Mr. Devi Dass Agarwal						12000
Mrs. Purva Mangal						23000
Ms. Himansi Kashyap						12000
Mr. Amit Kumar Agarwal						20000

There were no pecuniary relationships or transactions of the non-executive director's vis-à-vis the company during the Financial Year ended March 31, 2023.

Criteria for Performance Evaluation by Nomination Committee

The Nomination & Remuneration Committee formulated a **Performance Evaluation Policy** for evaluation of performance of the Directors, Key Managerial Personnel and other employees of the Company. This policy aims at establishing a procedure for conducting periodical evaluation of directors' performance and formulating the criteria for determining qualification, positive attribute and independence of each and every director of the Company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the Company.



➤ STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has Stakeholders Relationship Committee that met regularly to approve share transfers, transmissions, issue of duplicate share certificates, Rematerialization of shares and all other issues pertaining to shares and also to redress investor grievances like non receipt of dividend warrants, non receipt of share certificates, etc. The committee regularly reviews the movement in shareholding and ownership structure. The committee also reviews the performance of the Registrar and Share Transfer Agents.

Composition as on date

The Stakeholders Relationship Committee of the Company has been constituted with Three Director.

During the year, 4 (Four) Stakeholders Relationship Committee meetings were held as on 28.05.2022, 05.08.2022, 14.11.2022 and 14.02.2023 respectively.

Composition, meetings of the Stakeholders Relationship Committee and Attendance of the Members during 2022-2023

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Gopal Bansal	Member	4	4
Ms. Purva Mangal	Member	4	4
Mr. Amit Kumar Agarwal	Chairman	4	4

Compliance Officer

Name	Designation
Mr. Vijay Kumar Dwivedi	Company Secretary & Compliance Officer

Pending Investors' Complaints

No investor complaints are pending as on the date of Board's Report. The Company does not have any pending share transfers as on the date of Board's Report. The details of number of complaints during the financial year 202-2023 are mentioned below:

S. No.	Nature of Queries/ Complaints	Pending as on 01.04.2022	Received during the year	Redressed during the year	Pending as on 31.03.2023
1	Transfer/ Transmission of Duplicate Share Certificate	Nil	Nil	Nil	Nil
2	Non-receipt of Dividend	Nil	Nil	Nil	Nil
3	Dematerialization/Rematerialization of Shares	Nil	Nil	Nil	Nil

➤ RISK MANAGEMENT COMMITTEE

The Risk Management Committee constituted by the company is responsible for assessment of all types of risks like credit risk, market risk and operational risk etc and the find the measures to mitigate/ diversified such risks. The Company has a well framed policy for assessment of risks and their precautionary measures. The Risk Management Committee is responsible for submitting its report to the Board of Directors of the Company.



The Risk Management Committee has been constituted with the following three directors:-

Meetings of the Risk Management Committee and Attendance of the Members during 2022-2023

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Mr. Gopal Bansal	Chairman & Member	1	1
Ms. Purva Mangal	Member	1	1
Mr. Amit Kumar Agarwal	Member	1	1

During the year, One (1) Risk Management Committee meetings was held as on 14.11.2022

4. INDEPENDENT DIRECTOR

The Independent Directors of the Company have been appointed in terms of the requirements of the Act, the Listing Regulations and the Governance Guidelines for Board Effectiveness adopted by the Company. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at www.indiafinsec.in.

5. MEETING OF INDEPENDENT DIRECTOR

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held. The Independent Directors of the Company had met during the year on 14.02.2023 to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of flow of information between the company management and the Board.

6. GENERAL BODY MEETINGS

➤ ANNUAL GENERAL MEETINGS

Details of location, date and time of the Annual General Meetings held during the last three years are given below:

Day	Date	Time	Venue	Whether any Special Resolution passed in the Annual General Meeting (Yes/ No)
Wednesday	30.09.2020	09:30 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes
Thursday	30.09.2021	09:30 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	No
Friday	30.09.2022	09:30 A.M.	D-16, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes

➤ EXTRAORDINARY GENERAL MEETINGS

No Extraordinary General Meeting of the Members was held during the year under review. During the year under review, no resolution was put through by Postal Ballot. Further, no special resolution is being proposed to be passed through Postal Ballot.



7. COMPLIANCE UNDER NON-COMPLIANCE REQUIREMENTS

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company complied with all mandatory requirements and has adopted non-mandatory requirements as per details given below:

- (a) **The Board:** The Company does not have Non-Executive Chairman.
- (b) **Shareholder's Right:** The quarterly, half yearly and yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchange where the shares of the Company are listed.
- (c) **Modified opinion in Audit Report:** The auditors have provided unmodified report on financial statements. The Company continues to adopt best practices in order to ensure financial statements with unmodified audit opinion.
- (d) **Reporting of Internal Auditor:** The Internal Auditors of the Company report to the Audit Committee.

8. DISCLOSURES

- Transactions of material nature have been entered into by the company with directors or management and their relatives etc has been enclosed in AOC-2 to the Board Report. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
- There has been no instance of non-compliance by the Company on regulatory/statutory authorities related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A). Not Applicable
- The Company is in compliance with all the mandatory requirements of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 and has fulfilled the non- mandatory requirements;
- The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of Financial Statements.
- The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risks through means of a properly defined framework.
- The Company has well framed Vigil Mechanism/ Whistle Blower Policy and we affirmed that no personnel has been denied access to the Audit Committee.
- The Company has adopted with the Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed with this Report.
- A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.
- Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year. Not Applicable
- Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part. Details relating to fees paid to the Statutory Auditors are given in Note 28 to the Standalone Financial Statements and Note 27 (d) to the Consolidated Financial Statements.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is given in the Directors' report.
- The CEO and CFO have given a certificate as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement. This certificate is annexed with this Report.
- Compliance certificate from a Practicing Company Secretary regarding compliance of conditions of corporate governance is annexed with this report.



- The requirements of the Audit and other Committees as contemplated in Listing Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with as per the report set above in respect of the same.
- The Policy for determining 'material' subsidiaries is available on the website of the Company and its web link is <https://www.indiafinsec.in/wp-content/uploads/2023/03/Policy-for-determining-Material-Subsidiary.pdf>.
- The Policy on dealing with related party transactions is available on the website of the Company and its web link is <https://www.indiafinsec.in/wp-content/uploads/2023/03/Policy>.
- Disclosure of commodity price risks and commodity hedging activities: The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2020 is not required to be given.

9. MEANS OF COMMUNICATION

The Company has published financial results in within time specified i.e. 48 hours as required by the Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been uploaded on the website of the Company i.e. www.indiafinsec.in. No targeted presentations were made during the year under review. The Management Discussion & Analysis Report forms part of the Annual Report of the Company as required under the Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. MATERIALLY RELATED PARTY DISCLOSURES

Company entered the transactions with related party and the detailed information on materially significant related party transactions are enclosed in AOC-2 to the Board's Report.

11. SUBSIDIARY COMPANY

The Company has a material unlisted Subsidiary as defined under Regulation 16 of the Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to material unlisted subsidiary have been complied with.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company are placed before the Board of Directors of the Company.

12. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting Schedule

Date	August 28, 2023 (Monday)
Time	09:30 A.M.
Venue	D-16, First Floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085
Date of Book Closure	
Tuesday, August 22, 2023 to Monday, August 28, 2023	
Financial Year	
April 1, 2022 to March 31, 2023	
Dividend Payment Date	
Not Applicable	
Name and Address of the Stock Exchange at which the Company's securities are listed	
Bombay Stock Exchange Limited (BSE)	
Address: PJ Towers, Dalal Street Fort, Mumbai-400001	
Company has paid the Annual Listing Fee to Bombay Stock Exchange for the Financial Year 2022-23	



Company has paid the Annual Custodial Fee for the Financial Year 2022-23

Stock Code

BSE Limited- 535667

Registrar to an issue and share transfer agents

M/s Skyline Financial Services Private Limited

D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi-110020

Contact No.-011-64732681 to 88

Email Id- admin@skylinerta.com

Address for Correspondence

D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-1100085

Contact No. 011-47096097

Email- indiafinsec@gmail.com

ISIN:-INE474O01010

Share Transfer System

The Company has delegated the authority to approve shares received for transfer in physical form to M/s Skyline Financial Services Private Limited.

Dematerialization of shares and liquidity

Company has an agreement with M/s Skyline Financial Services Private Limited for dematerialization of shares Outstanding GDR or ADR or warrants or any convertible instruments, conversion date and likely impact on equity

Nil

Plant Locations

We have only Registered Office in New Delhi

Corporate Secretarial/Investors' Assistance Department

Secretarial Department headed by Mr. Vijay Kumar Dwivedi, Company Secretary of the Company

Distribution of Shareholding as on March 31, 2023

No. of Equity Shares Held	Number of Shareholders	% to Total Numbers	No. of Shares	% to Total Amount
(Rs.)			(Rs.)	
1	2	3	4	5
Up To 500	631	79.57	28047.00	0.11
501 To 1000	20	2.52	16521.00	0.07
1001 To 2000	7	0.88	9403.00	0.04
2001 To 3000	4	0.50	9192.00	0.04
3001 To 4000	2	0.25	6556.00	0.03
4001 To 5000	2	0.25	9700.00	0.04
5001 To 10000	49	6.18	463732.00	1.86
10000 and Above	78	9.85	24398564.00	97.82
Total	793	100.00	24941715.00	100.00

Market Price Data

Month	Open	High	Low	Close	No Of Shares	No Of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread H-L	* Spread C-O
Apr-22	25.15	35.00	22.50	32.10	188215	93	4966325	188152	99.97	12.50	6.95
May-22	33	40.3	28.9	36.75	36611	435	1303972	29248	79.89	11.4	3.75
Jun-22	36.55	36.55	23.3	23.3	5567	96	184969	5481	98.46	13.25	-13.25
Jul-22	22.55	26.15	20.05	20.05	26835	73	590003	26796	99.85	6.1	-2.50
Aug-22	19.1	34.8	18.5	34.7	768791	116	16658746	766503	99.7	16.3	15.6
Sep-22	36.25	39.4	31	36.35	627295	471	23453793	620930	98.99	8.4	0.10
Oct-22	35.8	40.65	34.05	36.8	46004	198	1684260	45864	99.7	6.6	1.00
Nov-22	36.8	43.8	34	39.8	30499	167	1144100	30489	99.97	9.8	3.00



Dec-22	37.85	42.45	34.45	41	19464	116	754382	19395	99.65	8	3.15
Jan-23	40.2	46	39.65	39.9	6866	84	284319	6810	99.18	6.35	-0.30
Feb-23	39	39	25.15	27.85	809926	270	2165504 8	809047	99.89	13.85	-11.15
Mar-23	28.1	33.05	20.35	20.35	576600	152	1297525 2	576157	99.92	12.7	-7.75

By the Order of the board
For India Finsec Limited

Date: 31.07.2023
Place: New Delhi

Gopal Bansal
Managing Director
DIN-01246420

Mukesh Sharma
Director
DIN-00274217



AUDITOR CERTIFICATE ON CORPORATE GOVERNANCE
[Pursuant to Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members of
India Finsec Limited

I have examined all the relevant records of **M/s India Finsec Limited having CIN L65923DL1994PLC060827** (the **Company**) for the purpose of certifying the compliance of the conditions of Corporate Governance as stipulated under Regulation 17 to 27 Clauses (b) to (i) of Regulation 46 (2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period commencing from April 01, 2022 and ended on March 31, 2023. I have obtained all the information and explanations which are to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of various provisions of Corporate Governance is the responsibility of the Management. My examination was limited to 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.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, as applicable.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For M/S Jain & Sharan LLP
Company Secretaries

Date: July 31, 2023
Place: New Delhi
UDIN: F009802E000713769

Megha Sharan
Partner
M. No. F9802, CP No. 12171



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
India Finsec Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s India Finsec Limited having CIN L65923DL1994PLC060827** and having registered office at D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, the Reserve bank of India or any such other Statutory Authority.

S. No.	Name of Director	Designation	DIN	Date of Appointment/Re-appointment
1.	Mr. Gopal Bansal	Managing Director	01246420	16.01.2021
2.	Mr. Mukesh Sharma	Non-Executive Director	00274217	14.08.2017
3.	Ms. Purva Mangal	Independent Director	02816099	30.09.2019
4.	Mr. Devi Dass Agarwal	Independent Director	09152596	01.07.2021
5.	Ms. Himanshi Kashyap	Independent Director	07681277	24.08.2020
6.	Mr. Amit Kumar Agarwal	Independent Director	08768575	06.07.2020

Disclaimer: Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M/S Jain & Sharan LLP
Company Secretaries

Date: July 31, 2023
Place: New Delhi
UDIN:F009802E000713769

Megha Sharan
Partner
M. No. F9802, CP No. 12171



CHAIRMAN'S DECLARATION ON CODE OF CONDUCT

**To,
The Members of
India Finsec Limited
New Delhi**

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz. www.indiafinsec.com.

It is further confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2023.

**By the Order of the Board
For India Finsec Limited**

Date: 31.07.2023

Place: New Delhi

**Gopal Bansal
Chairman & Managing Director**

DIN-01246420



CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

To,
The Board of Directors
India Finsec Limited

I, Manoj Kumar Gupta, Chief Financial Officer of **India Finsec Limited**, to the best of my knowledge and belief hereby certify that:

- (a) I have reviewed financial statements and the cash flow statements for the year ended March 31, 2023 and that to the best of my knowledge and belief;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in the internal control over financial reporting during the year under reference;
 - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

By the Order of the Board
For India Finsec Limited

Date: 31.07.2023
Place: New Delhi

Manoj Kumar Gupta
Chief Financial Officer
PAN- AEUPG8308R



INDEPENDENT AUDITORS' REPORT

To the Members of
INDIA FINSEC LIMITED

Report on the Audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **India Finsec Limited** (“the company”) which comprise the balance sheet as at **March 31, 2023**, and the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year ended on that date, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Ind AS Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

	<u>Key Audit Matters</u>	Auditor’s response
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1.	<p><u>Loans and advances: -</u></p> <p>Loans are to be disclosed at Amortised Cost using Effective Interest Method prescribed under Ind AS 109 on 'Financial Instruments'.</p> <p>We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company.</p>	<p>Our audit procedure inter- alia includes the following: -</p> <ol style="list-style-type: none"> 1. We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year. 2. We evaluated the control environment of levying the processing fees on significant loans advanced by the company and is treatment in the books of accounts in accordance with Ind AS 109. 3. We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company. 4. We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.
2.	<p><u>Compliance of RBI directions and circulars:</u></p> <p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As Company is an NBFC, it is the responsibility of Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p>	<p>Our audit procedure inter- alia includes the following: -</p> <p>We have reviewed the conditions for prudential norms prescribed by the RBI including:</p> <ol style="list-style-type: none"> a) Hold impairment allowance as required by IND AS in parallel with existing prudential norms on IRACP on loan advanced. b) Transfer of 20% profit to reserve maintain under section 45-IC of the RBI Act. c) Holding of at least 50% of the financial assets and 50% of the financial income respectively. d) To comply with the Net owned fund requirement of Rs 5 Crores by March 2025 vide Notification no DOR.CRE.060.CGM 2022

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



The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

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

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



- Identify and assess the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS Financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the



“Annexure A”, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.

(c) The standalone Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Change 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 Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in “Annexure B”.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

The Company has not paid any remuneration to its Managing Director.

(h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company does not have any pending litigations which would impact its financial position.

ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv) (i) the management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



(ii) the management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, that Company had recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
(iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

v) The Company has not declared or paid any dividend during the year.

vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAT9673

Place: New Delhi
Dated: 30.05.2023



“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the Standalone Ind AS Financial Statements of the Company for the year ended March 31, 2023:

We report that:

1) Property Plant and Equipment and Intangible Assets

- a) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment.
- b) The company does not have any intangible assets.
- c) These Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancy were found during the inspection.
- d) According to the information and explanations given to us, the company has no immovable property as on balance sheet date.
- e) The company has not revalued its Property, Plant and Equipment during the year.
- f) According to the information and explanations given to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

2) Inventories

- a) The company does not have any inventory and hence reporting under clause (ii) paragraph 3 of the order is not applicable.
- b) The company has not been sanctioned working capital limits on the basis of security of current assets.

3) Investments, Guarantee/Security, Loan and Advance

- a) The principal business of the company is to give loans, thus clause (iii)(a) to Paragraph 3 is not applicable to the company.
- b) The company has invested surplus funds in debentures and these investments are not prejudicial to the interest of the company.
- c) In respect of loans and advances in the nature of loans given by the company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are generally regular;
- d) The company does not have any amount overdue for more than ninety days. Accordingly, the provisions of clause 3(iii)(d) of the Order are not applicable to the Company and hence not commented upon.
- e) The principal business of the company is to give loans, thus clause(iii)(e) is not applicable to the company.
- f) In our opinion and according to the information and explanation given to us, the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to the promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013.



4) Compliance of Provisions of Section 185 and 186.

In our opinion and according to the information and explanation given to us, the company has not given loans, investments, guarantees, and securities covered under section 185 and 186 of the Companies Act, 2013.

5) Public Deposits

In our opinion and according to the information and explanation given to us, the company has not accepted public deposits and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act 2013 and the rules framed there under are not applicable to the company. No order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any court or any other tribunal.

6) Cost Records

According to the information and explanation given to us, the government has not prescribed maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 for the services of the company.

7) Statutory Dues

- a) In our opinion the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax and any other statutory dues with the appropriate authorities. There are no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, there are disputed amounts payable in respect of income tax as on Mar 31, 2023 for a period of more than six months from the date they became payable.

Nature of the dues	Amount (Rs in 000's)	Period (AY)	Forum where dispute is pending
Income Tax	403.76	2017-18	CIT(Appeals)
Income Tax	91740.29	2011-12	CIT(Appeals)

8) Unrecorded Income

Based upon the audit procedures performed and the information and the explanations given by the management, there are no transactions not recorded in the books of accounts which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9) Repayment Of Dues



Based upon the audit procedures performed and according to information and explanations given to us:

- a) The company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year of audit;
- b) The company has not been declared a wilful defaulter by any bank or financial institution or other lender.
- c) The term loan taken by the company were applied for the purpose for which they were obtained.
- d) the company has not raised funds on short term basis, thus reporting under this clause in not required and not commented upon;
- e) The company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiary company. The company does not hold any securities in any associates or joint venture.

10) Application Of Money Raised by Public Issue and Preferential Allotment

- a) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3(x) of the Order are not applicable to the Company and hence not commented upon.
- b) The Company has not made any preferential allotment or private placement of shares or convertible debentures during the year.

11) Fraud

Based upon the audit procedures performed and the information and explanations given by the management:

- a) No fraud on or by the company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) No whistle-blower complaints have been received during the year by the company.

12) Nidhi Company

In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.

13) Transaction With Related Parties

In our opinion, all the transactions with related parties are in accordance with section 177 and 188 of the Companies Act, 2013. Details have been properly disclosed in Ind AS financial statements as required by applicable accounting standards.



14) Internal Audit System

- a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered by the statutory auditor.

15) Non-Cash Transaction with Director

Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

16) Registration With RBI

- a) According to the information and explanations given to us, the company is a Non-Banking Financial Company and registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) According to information and explanations given to us, the company has conducted Non- Banking Financial activities with a valid certificate as per the Reserve Bank of India Act, 1934;
- c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India;
- d) The Group does not have any CIC as part of the Group.

17) Cash Losses

The company has not incurred cash loss in the Current and in the immediately preceding financial year.

18) Considerations Of Issues Raised by Outgoing Auditor

There has been no resignation of the statutory auditor . Accordingly, clause (xviii) of Para 3 of the order is not applicable.

19) Existence Of Material Uncertainty as To Company Ability to Meet Its Liabilities

As per our opinion, on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the Ind AS financial statements, the auditor's knowledge of the Board of Directors and management plans, there is no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date

20) Transfer Of Unspent CSR Amount

According to the information and explanations given to us, provisions of Corporate Social Responsibility (CSR) specified in section 135 read with schedule VIT of Companies Act are not applicable upon the company.



21) Qualifications Or Adverse Remarks in Caro Reports of Group Companies

This clause shall be dealt with in the consolidated auditor's report.

**For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N**

**CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAT9673**

**Place: New Delhi
Dated: 30.05.2023**



“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of India Finsec Limited the year ended March 31, 2023

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

We have audited the internal financial controls over financial reporting of **India Finsec Limited** (“the Company”) as of **March 31, 2023** 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 established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, including the assessment of the risks of material misstatement of the 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.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit



preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 operating effectively as at March 31, 2023, based on, “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAT9673

Place: New Delhi
Dated: 30.05.2023



INDIA FINSEC LIMITED			
CIN: L65923DL1994PLC060827			
STANDALONE BALANCE SHEET AS AT 31 MARCH 2023			
(₹ In '000')			
Particulars	Notes	As at 31 Mar 23	As at 31 Mar 22
I. ASSETS			
A. Financial assets			
(a) Cash and cash equivalents	4	4,443.16	6,304.13
(b) Receivables			
Trade Receivables	5	-	1,080.00
(c) Loans	6	1,985.74	35,732.11
(d) Investments	7	4,27,737.85	3,97,237.80
(e) Other financial asset	8	21,662.75	26,867.96
Non-financial assets			
(a) Current tax assets (net)		-	629.88
(b) Deferred tax assets (net)	9	194.27	290.40
(c) Property, plant & equipment	10	303.07	339.33
(d) Other non financial assets	11	71.26	-
Total Assets		4,56,398.10	4,68,481.63
II. LIABILITIES			
Financial liabilities			
(a) Current tax liabilities (net)		-	
(b) Borrowings (other than debt securities)	12	8,957.02	22,529.09
(c) Other financial liabilities	13	788.36	467.73
Non-financial liabilities			
Current Tax Liabilities		-	-
(a) Other non financial liabilities	14	162.66	291.18
III. EQUITY			
(a) Equity share capital	15	2,49,417.15	2,49,417.15
(b) Other equity	16	1,97,072.91	1,95,776.48
Total Liabilities and Equity		4,56,398.10	4,68,481.63
Notes to the Standalone financial statements 1-35			
The accompanying notes form an integral part of the standalone financial statements.			
As per our report of even date attached			
FOR AJAY RATTAN & CO.		For and on behalf of the Board of Directors of	
Chartered Accountants		INDIA FINSEC LIMITED	
Firm Regn. No. 012063N			
CA. AJAY AGGARWAL		Gopal Bansal	Mukesh Sharma
Partner		Managing Director	Director
Membership No. 090975		DIN: 01246420	DIN: 00274217
UDIN: 23090975BGYTAT9673			
Date: 30.05.2023		Manoj Kumar Gupta	Vijay Kumar Dwivedi
		CFO	Company Secretary
		PAN: AEUPG8308R	Membership No.: A36168



INDIA FINSEC LIMITED			
CIN: L65923DL1994PLC060827			
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2023			
(₹ In '000')			
Particulars	Notes	For the year ended 31 Mar 23	For the year ended 31 Mar 22
REVENUE			
Revenue from operations			
(i) Interest Income	17	3,954.08	6,706.61
(ii) Dividend Income		10.00	10.00
(iii) Fees and commission income		273.02	287.16
(iv) Sale of service		-	1,000.00
(v) Income from shares & securities	18	2,542.33	594.94
(I) Total Revenue from operations		6,779.42	8,598.71
(II) Other income	19	24.87	3.17
(III) Total Income (I+II)		6,804.29	8,601.88
EXPENSES			
(i) Finance costs	20	1,120.77	3,545.80
(ii) Impairment of financial instruments	21	-	1,009.52
(iii) Employee benefit expenses	22	1,923.77	1,578.26
(iv) Depreciation		90.87	134.24
(v) Other expenses	23	2,148.71	2,061.14
(IV) Total Expense		5,284.13	8,328.96
(V) Profit/ (loss) before exceptional items and tax (III-IV)		1,520.16	272.92
(VI) Exceptional items		-	-
(VII) Profit/ (loss) before tax (V-VI)		1,520.16	272.92
(VIII) Tax Expense			
Current tax		127.60	-
Deferred tax		96.13	131.42
(IX) Profit/ (loss) after tax		1,296.43	141.50
(X) OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss			
- Equity instrument through other comprehensive income- gain/ (loss)		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
Total Other Comprehensive Income (IV)		-	-
(XI) Total Comprehensive Income (III+IV)		1,296.43	141.50
(XII) Earning per equity share (EPS)			
Basic (Amount in ₹)		0.05	0.01
Diluted (Amount in ₹)		0.05	0.01
Notes to the Standalone financial statements		1-35	
The accompanying notes form an integral part of the standalone financial statements.			
As per our report of even date attached			
FOR AJAY RATTAN & CO.	For and on behalf of the Board of Directors of		
Chartered Accountants	INDIA FINSEC LIMITED		
Firm Regn. No. 012063N	Gopal Bansal	Mukesh Sharma	
CA. AJAY AGGARWAL	Managing Director	Director	
Partner	DIN: 01246420	DIN: 00274217	
Membership No. 090975	Manoj Kumar Gupta	Vijay Kumar Dwivedi	
UDIN: 23090975BGYTAT9673	CFO	Company Secretary	
Date: 30.05.2023	PAN: AEUPG8308R	Membership No.: A36168	



INDIA FINSEC LIMITED		
CIN: L65923DL1994PLC060827		
STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2023		
[₹ in '000]		
Particulars	For the year ended 31 Mar 23	For the year ended 31 Mar 22
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and exceptional items	1,520.16	272.93
Adjustments for items :-		
Depreciation & amortization expense	90.87	134.24
Interest income	(2,918.56)	(2.88)
Finance costs	1,120.77	3,545.80
Impairment of Financial instruments	(1,035.53)	1,009.52
Dividend received	(10.00)	(10.00)
Operating profit before working capital changes	(1,232.27)	4949.60
Working capital adjustments :-		
(Increase)/ decrease in trade receivables	1,080.00	2,787.50
(Increase)/ decrease in loans	33,746.38	26,514.75
(Increase)/ decrease in other financial assets	5,205.21	(22,070.52)
(Increase)/ decrease in other non-financial assets	(71.26)	-
Increase/ (decrease) in other financial liabilities	320.63	308.83
Increase/ (decrease) in other non-financial liabilities	(128.52)	(237.49)
Cash generated from operations	38,920.17	12,252.67
Less: Direct taxes paid/(refund)	(502.28)	24,443.81
Net cash flow from operating activities (A)	39,422.45	36,696.48
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipments	(54.60)	-
Sale of property, plant & equipments	-	0.20
Interest Income	3,954.08	2.88
Dividend Income	10.00	10.00
Sale/ (Purchase) of investments	(30,500.05)	-
Net cash flow from investing activities (B)	(26,590.57)	13.08
CASH FLOW FROM FINANCING ACTIVITIES		
Net proceeds from borrowings	(13,572.08)	(27,904.62)
Finance Cost	(1,120.77)	(3,545.80)
Net cash flow from financing activities (C)	(14,692.85)	(31,450.42)
Net cash flow during the year (A + B + C)	(1,860.97)	5,259.13
Add: Opening cash and cash equivalents	6,304.13	1,045.00
Closing cash and cash equivalents	4,443.16	6,304.13
Components of cash and cash equivalents		
Cash on hand	1,168.17	823.02
Balances with bank in current accounts	3,274.99	5,481.11
Total cash and cash equivalents	4,443.16	6,304.13
Notes to the Standalone financial statements	1-35	
The accompanying notes form an integral part of the standalone financial statements.		
As per our report of even date attached		
FOR AJAY RATTAN & CO.	For and on behalf of the Board of Directors of INDIA FINSEC LIMITED	
Chartered Accountants		
Firm Regn. No. 012063N		
CA. AJAY AGGARWAL	Gopal Bansal	Mukesh Sharma
Partner	Managing Director	Director
Membership No. 090975	DIN: 01246420	DIN: 00274217
UDIN: 23090975BGYTAT9673		
Date: 30.05.2023	Manoj Kumar Gupta	Vijay Kumar Dwivedi
	CFO	Company Secretary
	PAN: AEUPG8308R	Membership No.: A36168



INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2023

(₹ In '000')

Equity share capital:-

I. Current reporting period

Balance at the 1st April 2022	Change in equity share capital due to prior period errors	Restated balance at the 1st April 2022	Changes in equity share capital during the current year	Balance at the 31st March, 2023
2,49,417.15	-	2,49,417.15	-	2,49,417.15

II. Previous reporting period

Balance at the 1st April 2021	Change in equity share capital due to prior period errors	Restated balance at the 1st April 2021	Changes in equity share capital during the current year	Balance at the 31st March, 2022
2,49,417.15	-	2,49,417.15	-	2,49,417.15

Other equity:-

I. Current reporting period

Particulars	Reserve & Surplus			Equity instruments through OCI	Total
	Securities Premium	Statutory Reserve (U/s 45-IC of the RBI Act, 1934)	Retained Earnings		
(I) Balances as at 1st April 2022	1,61,081.05	8,575.76	26,124.94	-	1,95,781.75
(II) Prior period error	-	-	-	-	-
(III) Restated balance as at 1st April 2022 (I+II)	1,61,081.05	8,575.76	26,124.94	-	1,95,781.75
(IV) Profit/(loss) for the year	-	-	1,296.43	-	1,296.43
(V) Other comprehensive income (net)	-	-	-	-	-
(VI) Total Comprehensive Income (IV+V)	-	-	1,296.43	-	1,296.43
(VII) Appropriation to reserves	-	259.29	(259.29)	-	-
(VIII) Balance as at 31st March 2023 (III+VI+VII)	1,61,081.05	8,835.05	27,162.08	-	1,97,078.18

II. Previous Reporting Period

Particulars	Reserve & Surplus			Equity instruments through OCI	Total
	Securities Premium	Statutory Reserve (U/s 45-IC of the RBI Act, 1934)	Retained Earnings		
(I) Balances as at 1st April 2021	1,61,081.05	8,547.46	26,011.73	-	1,95,640.24
(II) Prior period error	-	-	-	-	-
(III) Restated balance as at 1st April 2021 (I+II)	1,61,081.05	8,547.46	26,011.73	-	1,95,640.24
(IV) Profit/(loss) for the year	-	-	141.51	-	141.51
(V) Other comprehensive income (net)	-	-	-	-	-
(VI) Total Comprehensive Income (IV+V)	-	-	141.51	-	141.51
(VII) Appropriation to reserves	-	28.30	(28.30)	-	0.00
(VIII) Balance as at 31st March 2022 (III+VI+VII)	1,61,081.05	8,575.76	26,124.94	-	1,95,781.75

Notes to the standalone financial statements

1-35

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Regn. No. 012063N

For and on behalf of the Board of Directors of

INDIA FINSEC LIMITED

CA. AJAY AGGARWAL

Partner

Membership No. 090975

UDIN: 23090975BGGYTAT9673

Date: 30.05.2023

Gopal Bansal
Managing Director
DIN: 01246420Mukesh Sharma
Director
DIN: 00274217Manoj Kumar Gupta
CFO
PAN: AEUPG8308RVijay Kumar Dwivedi
Company Secretary
Membership No.: A36168



INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2023

1 Corporate Information

India Finsec Limited was incorporated on 10th day of August 1994. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Non-Banking Finance Company in India. The Company is listed on Bombay stock exchange.(INE474O01010)

2 Significant Accounting Policies

2.1 Statement of Compliances

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis for preparation of standalone financial statements:

The financial statements have been prepared in historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end which is generally based on the fair value of consideration given in exchange for goods and services. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the Ind AS financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

2.4 Critical accounting estimates:

2.4.1 Income Taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

2.4.2 Impairment of Investments:

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

2.4.3 Provisions:



Provisions are recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

2.4.4 Effective Interest Rate (EIR) Method:

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments, restructuring and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments and other fee income/expense that are integral parts of the instrument.

2.5 Property plant and equipment (PPE)

PPE are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The Company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on PPE, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of PPE	Useful life (in years)
Furniture and fixture	10
Vehicles	8
Office equipment	5
Computer	3

An item of PPE is derecognized 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 PPE are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

2.6 Revenue recognition:

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.



2.6.1 Interest Income: The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and other incomes attributable to acquisition of a financial assets.

2.6.2 Dividend: Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when the shareholders approve the dividend.

2.6.3 Other revenue from operations: The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

2.7 Financial Instruments:

2.7.1 Financial Assets:-

Recognition and initial measurement: -

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost.

Subsequent measurement: -

Equity instrument and Mutual Fund: - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De- Recognition of financial Assets: -

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

Impairment of financial assets: -

The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

2.7.2 Financial Liabilities : -

Recognition and initial measurement: -



All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost.

Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of financial liabilities

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

2.7.3 Off setting of financial instrument: -

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

2.7.4 Impairment of Financial Assets: -

Equity instruments, Debt Instruments and Mutual Fund: - In accordance with Ind-AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

2.7.5 Expected Credit Loss (ECL): -

"The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets and unbilled revenue which are not fair valued through profit or loss. Loss allowance for trade receivables and unbilled revenues with significant financing component is measured at an amount equal to 12-month ECL. For all other financial assets, expected credit losses are measured at an amount equal to the lifetime 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

The Company determines the allowance for credit losses based on historical loss experience adjusted to reflect current and estimated future economic conditions. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recorded is recognized as an impairment gain or loss in condensed consolidated statement of comprehensive income."



2.8 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

2.9 Taxation

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961.

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

2.10 Employee benefits

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The Company does not have any defined benefit obligation or defined contribution plan.

2.11 Provision, contingent liabilities and contingent assets

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Assets and Contingent Liabilities are not recognized in the financial statements.



3 Earning per share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the Ind AS financial statements are approved by the Board of Directors.

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

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.



INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

(₹ in 000's)

		As at 31 Mar 23	As at 31 Mar 22				
4.	Cash and cash equivalent	NOTE 4					
	Cash on hand (as certified)	1,168.17	823.02				
	Balances with banks	3,274.99	5,481.11				
		4,443.16	6,304.13				
5.	Trade Receivables	NOTE 5					
	(a) Receivables considered good- unsecured	-	1,080.00				
		-	1,080.00				
5.1	Trade receivables ageing :						
S No.	Particulars	Outstanding from due date of payment as on 31st March 2023					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	-	-	-	-	-	-
S No.	Particulars	Outstanding from due date of payment as on 31st March 2022					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i)	Undisputed Trade Receivables : Considered good	1,080.00	-	-	-	-	1,080.00
5.2	There are no unbilled dues during the financial year.						
6.	Loans	NOTE 6					
	At amortised cost						
(A)	(i) Loans repayable on demand	-	-				
	(ii) Term loan	1,994.72	36,776.61				
	Total (A)- Gross	1,994.72	36,776.61				
	Less: Impairment loss allowance	(8.98)	(1,044.50)				
	Total (A)-Net	1,985.74	35,732.11				
(B)	(i) Secured by tangible assets	-	-				
	(ii) Secured by intangible assets	-	-				
	(iii) Unsecured	1,994.72	36,776.61				
	Total (B)- Gross	1,994.72	36,776.61				
	Less: Impairment loss allowance	(8.98)	(1,044.50)				
	Total (B)-Net	1,985.74	35,732.11				
(C)	(I) Loans in India	-	-				
	(ii) Public sector	-	-				
	(ii) Others	1,994.72	36,776.61				
	Total (C) (I)- Gross	1,994.72	36,776.61				
	Less: Impairment loss allowance	(8.98)	(1,044.50)				
	Total (C) (I) - Net	1,985.74	35,732.11				
	(II) Loans outside India	-	-				
	Less: Impairment loss allowance	-	-				
	Total (C) (II) - Net	-	-				
	Total Net (C) (I) and (II)	1,985.74	35,732.11				



6.1 Additional disclosure in respect of loans and advances:-

Particulars	As at 31st March 2023		As at 31st March 2022	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties	Nil	Nil	Nil	Nil

7. Investments

NOTE 7

In India

Debeture 12%	500.00	-
In equity instrument of subsidiary at amortised cost	4,27,237.85	3,97,237.80
	4,27,737.85	3,97,237.80

8. Other financial assets

NOTE 8

Prepaid expense	-	-
Balances with Revenue Authorities	21,597.25	21,476.00
Equity instruments (Quoted) At FVTPL	56.50	5,391.96
Other Receivables	9.00	-
	21,662.75	26,867.96

9. Deferred tax assets (net)

NOTE 9

At start of the year	290.40	421.82
Credit/ (charge) to statement of profit and loss	(96.13)	(131.42)
Credit/ (charge) to other comprehensive income	-	-
At end of the year	194.27	290.40

9.1 Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

9.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below: -

For the year ended on 31st March 2023

Timing differences on account of :-

	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant & equipments	221.69	23.42	-	198.27
Others	68.71	72.71	-	(4.00)
Total	290.40	96.13	-	194.27

For the year ended on 31st March 2022

Timing differences on account of :-

	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant & equipments	281.96	60.27	-	221.69
Others	139.86	71.15	-	68.71
Total	421.82	131.42	-	290.40

**10. Property, plant & equipm****NOTE 10**Carrying amount:-

Furniture & fixtures	156.85	204.29
Vehicles	26.15	27.94
Office equipments	75.47	96.53
Computers	44.60	10.57
	303.07	339.33

	Furniture & fixtures	Vehicles	Office Equipments	Computers	Total
Cost or Deemed Cost: -					
Balance as at 1st April, 2021	825.92	513.56	1,327.86	676.64	3,343.98
Additions during the year	-	-	-	-	-
Asset disposed/ written off during the year	-	-	-	-	-
Balance as at 31st March, 2022	825.92	513.56	1,327.86	676.64	3,343.98
Additions during the year	-	-	-	54.60	54.60
Asset disposed/ written off during the year	-	-	-	-	-
Balance as at 31st March, 2023	825.92	513.56	1,327.86	731.24	3,398.58

Accumulated depreciation: -

Balance as at 1st April, 2021	551.06	479.53	1,173.75	666.06	2,870.40
Charge for the year	70.57	6.09	57.58	-	134.24
Adjusted on assets disposed/ written off	-	-	-	-	-
Balance as at 31st March, 2022	621.63	485.62	1,231.33	666.06	3,004.64
Charge for the year	47.44	1.79	21.06	20.58	90.87
Adjusted on assets disposed/ written off	-	-	-	-	-
Balance as at 31st March, 2023	669.07	487.41	1,252.39	686.64	3,095.52

Carrying amount:-

Balance as at 31st March, 2022	204.29	27.94	96.53	10.58	339.33
Balance as at 31st March, 2023	156.85	26.15	75.47	44.60	303.06

10.1 All the above property, plant & equipment are owned by the company unless specified otherwise.

10.2 The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.

11. Other non financial assets**NOTE 11**

Balance with Revenue Authority	71.26	-
	71.26	-


12. Borrowings (other than debt securities)

NOTE 12

<u>Borrowings in India (unsecured)</u>		-
Inter- corporate deposit(at amortized cost)	8,957.02	22,529.09
	8,957.02	22,529.09

13 Other financial liabilities

NOTE 13

Expense Payable	788.36	467.73
	788.36	467.73

14 Other non financial liabilities

NOTE 14

Payable to government authorities	162.66	291.18
	162.66	291.18

15 Equity share capital
As at
31 Mar 23As at
31 Mar 22

Nos. (₹ In'000') Nos. (₹ In'000')

Authorized shares

Equity shares of ₹ 10 each with voting rights 3,00,00,000.00 3,00,000.00 3,00,00,000.00 3,00,000.00

Issued, subscribed and fully paid- up shares

Equity shares of ₹ 10 each fully paid up 2,49,41,715.00 2,49,417.15 2,49,41,715.00 2,49,417.15

2,49,41,715.00 2,49,417.15 2,49,41,715.00 2,49,417.15
15.1 Reconciliation of number of equity shares and amount outstanding
As at
31 Mar 23As at
31 Mar 22

Nos. (₹ In'000') Nos. (₹ In'000')

Equity Shares

- At the beginning of the period 2,49,41,715 2,49,417.15 2,49,41,715.00 2,49,417.15

- Issued during the year - - - -

Total outstanding at the end of the period 2,49,41,715 2,49,417.15 2,49,41,715.00 2,49,417.15
15.2 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.



15.3 Details of shareholders holding more than 5% shares in the company: -

	As at 31 Mar 23		As at 31 Mar 22	
	Nos.	% holding	Nos.	% holding
Fidelo Foods (P) Ltd.	45,37,050.00	18.19%	45,37,050.00	18.19%
Mukesh Sharma	12,92,540.00	5.18%	12,92,540.00	5.18%
Gopal Bansal	40,15,741.00	16.10%	40,15,741.00	16.10%
Sunita Bansal	12,95,530.00	5.19%	12,95,530.00	5.19%
	1,11,40,861.00	44.66%	1,11,40,861.00	44.66%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

15.4 Details of shares held by promoters in the Company

Promoter Name	As at 31 Mar 23		As at 31 Mar 22		% Change during the year
	No of Shares	% of total Shares	No of Shares	% of total Shares	
Gopal Bansal	40,15,741.00	16.10%	40,15,741.00	16.10%	-
Sunita Bansal	12,95,530.00	5.19%	12,95,530.00	5.19%	-
Mukesh Sharma	12,92,540.00	5.18%	12,92,540.00	5.18%	-
Manoj Sharma	7,60,665.00	3.05%	7,60,665.00	3.05%	-
Gopal Bansal Huf	3,95,000.00	1.58%	3,95,000.00	1.58%	-
Ganga Devi Bansal	5,31,000.00	2.13%	1,41,000.00	0.57%	2.77
Fidelo Foods Private Limited	45,37,050.00	18.19%	45,37,050.00	18.19%	-
Daisy Distributors Private Limited	10,18,275.00	4.08%	2,59,547.00	1.04%	2.92
	1,38,45,801.00	55.51%	1,26,97,073.00	50.91%	5.69

There is a change in promoters shareholding during the period ended March 31,2023 and March 31,2022

16. Other equity	As at 31st March 2023	As at 31st March 2022
Share premium		
Opening balance	1,61,081.05	1,61,081.05
Add/(Less): Addition/ (deletion) during the year	-	-
Closing balance	1,61,081.05	1,61,081.05
Special Reserve (u/s 45IC of RBI Act, 1934)		
Balance as per last financial statements	8,575.77	8,547.46
Add: Transfer from surplus	259.29	28.30
Closing balance	8,835.05	8,575.76
Retained Earnings		
Balance as per last financial statements	26,119.67	26,006.49
Add/(Less): Profit/ (loss) for the year	1,296.43	141.51
Less: Transfer to Special Reserve u/s 45-IC of RBI Act	(259.29)	(28.30)
Net surplus in statement of profit and loss	27,156.81	26,119.67
	1,97,072.91	1,95,776.51
	1,97,072.91	1,95,776.48



17. Interest income	NOTE 17	
<u>On financial assets measured at amortised cost</u>		
Interest on loans	2,895.99	6,706.61
Interest on Debentures	22.57	-
Impairment gain on Financial Instruments	1,035.52	-
	3,954.08	6,706.61
18. Income from shares & securities	NOTE 18	
Opening value of shares & securities(held at FVTPL)	5,391.96	4,797.03
Less: Closing value of shares & securities (held at FVTPL)	56.50	5,391.96
Less: Sale of shares and securities	7,877.79	-
Net gain/(loss) on fair value changes [A]	2,542.33	(594.93)
Realised	2,526.45	-
Unrealised	15.88	594.94
Total gain / (loss) on fair value changes [B]	2,542.33	594.94
19. Other income	NOTE 19	
Interest on Refund	24.87	2.88
Miscellaneous Income	-	0.29
	24.87	3.17
20. Finance cost	NOTE 20	
<u>On financial liabilities measured at amortised cost:</u>		
- Interest on borrowings	1,120.77	3,545.80
	1,120.77	3,545.80
21. Impairment of financial instruments	NOTE 21	
<u>On Financial Instrument measured at amortized cost</u>		
On loans and advances	-	1,009.52
	-	1,009.52
22. Employee benefit expenses	NOTE 22	
Bonus to Staff	20.95	-
Salaries to staff	1,896.58	1,572.02
Employer's contribution to ESI	6.24	6.24
	1,923.77	1,578.26



23. Other expenses	NOTE 23	
Advertisement expenses	57.24	66.96
Conveyance expenses	82.35	119.84
Fees & subscription	239.90	72.24
GST reversal u/s 42	95.16	119.89
Legal & professional charges	769.32	792.45
Listing and other fees	549.50	325.00
Repair & Maintenance Expenses	62.23	15.93
<u>Payment to statutory auditors: -</u>		
In capacity as auditors: -		
towards audit fees	60.00	60.00
In other capacity: -		
towards certification	-	27.10
towards consultation on statutory matters	-	5.10
Printing & stationery	17.58	194.27
Sitting fee to directors	85.00	84.00
Miscellaneous expenses	130.44	178.36
	2,148.71	2,061.14



INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023

24. Related parties :-

As per Ind AS 24, the disclosures of transactions with the related parties are given below: -

(a) List of related parties where control exists and also related parties with whom transactions have taken place and relationship: -

(i)	Subsidiary Company	M/s. IFL Housing Finance Limited (Subsidiary)
(ii)	Key Management Personnel	Mr. Gopal Bansal (Managing Director)
		Mr. Mukesh Sharma (Director)
		Mr. Manoj Kumar Gupta (CFO)
		Mr. Vijay Kumar Dwivedi (Company Secretary)
(iii)	Relatives of Key Management Personnel	Mrs. Sunita Bansal
(iv)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	M/s. Gopal Bansal (HUF)

(b) Transactions made with the "Related parties" during the year: -

(₹ in 000's)

S.No.	Transaction with	Nature of transaction	Transaction during the year	
			March 31 2023	March 31 2022
(i)	IFL Housing Limited (Subsidiary Co.)	Investment in equity shares	30,000.05	-
		Repayment received	3,673.42	56.88
		Corporate Guarantee	7,60,000.00	3,30,000.00
		Loan given	3,003.35	514.61
		Interest Income	219.92	16.02
(ii)	<u>Key Management Personnel: -</u>			
Mr. Gopal Bansal	Loan taken	25,428.99	-	
	Loan repaid	25,428.99	-	
	Interest paid	66.79	-	
Mr. Mukesh Sharma	Sitting fees	18.00	14.00	
Mr. Manoj Kumar Gupta	Remuneration	888.24	960.00	
(iii)	<u>Relatives of Key Management Personnel: - None</u>			
(iv)	<u>Enterprises owned or significantly influenced by Key Management Personnel or their Relatives: - None</u>			

(c) Closing balances with "Related parties" at the end of the year: -

(₹ in 000's)

S.No.	Transaction with	Description	Balance as at	
			31st March 2023	31st March 2022
(i)	Subsidiary Company			
	IFL Housing Finance Limited	Investment in equity shares	4,27,237.85	3,97,238.00
		Loan Given	-	472.15
		Corporate guarantee	18,40,000.00	10,80,000.00
(ii)	<u>Key Management Personnel: -</u>			
Mr. Mukesh Sharma	Sitting fees	16.20	12.60	
	Mr. Manoj Kumar Gupta	Remuneration	74.02	74.02
(iii)	<u>Relatives of Key Management Personnel: - None</u>			
(iv)	<u>Enterprises owned or significantly influenced by Key Management Personnel or their Relatives: - None</u>			



25. Categories of Financial Instruments and its fair value measurement

(₹ in 000's)

Financial assets	As at 31st March 2023	As at 31st March 2022
Measured at amortized cost		
(i) Trade receivables	-	1,080.00
(ii) Cash and Bank balance	4,443.16	6,304.13
(iii) Loans	1,985.74	35,732.11
(iv) other financial assets	21,662.75	26,867.96
Measured at Cost		
(i) Investment in subsidiaries	4,27,237.85	3,97,237.80
Total	4,55,329.49	4,67,222.00

Financial liabilities	As at 31st March 2023	As at 31st March 2022
Measured at amortized cost		
(i) Borrowings	9,745.37	22,529.09
(ii) Other financial liabilities	788.36	467.73
Total	10,533.73	22,996.82

(₹ in 000's)

S.No.	Particular	For the year ended 31st March 2023	For the year ended 31st March 2022
	<u>Contingent liabilities not provided for: -</u>		
(i)	Guarantees issued to Financial Institutions/ Bankers for loans taken by IFL Housing Finance Limited	18,40,000	10,80,000
(ii)	Pending litigations by/ against the Company		-
	Total	18,40,000	10,80,000

27. **Additional Regulatory Disclosures****(i) Details of Benami Property held**

No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made there under.

(ii) Willful defaulter

The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.

(iii) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(iv) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(vi) Utilization of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

**(vii) Undisclosed income**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) Valuation of Property, Plant & Equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment or intangible assets or both during the current or previous year.

(x) Title deeds of immovable properties not held in name of the company

The Company does not have any immovable property.

(xi) Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

Corporate Guarantee given by the company to subsidiary company is not liable for charge registration.

28. Ratio Analysis and its components

S.No.	Particulars	31st March 2023	31st March 2022	% change from March 31, 2022 to March 31, 2023
1	Capital to risk -weighted asset ratio (CRAR)	0.04	0.11	-64.02%
2	Tier I CRAR	0.04	0.11	-64.02%
3	Tier II CRAR	0.00	0.00	0.00%
4	Liquidity Coverage Ratio	77.28	69.86	10.62%

Components of Ratio

S.No.	Ratios	Numerator	Denominator	March 31st 2023		March 31st 2022	
				Numerator	Denominator	Numerator	Denominator
1	Capital to risk -weighted asset ratio (CRAR)	Tier I Capital + Tier II Capital	Risk Weighted Assets	18,752.21	4,73,852.16	47,955.83	4,39,781.20
2	Tier I CRAR	Tier I	Risk weighted asset	18,752.21	4,73,852.16	47,955.83	4,39,781.20
3	Tier II CRAR	Tier II	Risk weighted asset	-	4,73,852.16	-	4,39,781.20
4	Liquidity Coverage Ratio	HQLA	Net cash flow	4,443.16	57.49	6,304.13	90.24

Reasons for variance of more than 25% in above ratios

(i)	Capital to risk -weighted ass	Investment increased
(ii)	Tier I CRAR	Investment increased

29. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
- (a) Interest rate risk;
- (ii) Credit risk and ;
- (iii) Liquidity risk

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk. The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.



(i) Market risk

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.

For details of the Company's borrowings, refer note 12

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

Impact on Profit/(loss) before tax	For the year ended 31st March 2023		For the year ended 31st March 2022	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
On account of Variable Rate on Loans and advances given	-	-	367.77	(367.77)
On account of Variable Rate on borrowings	-	-	(225.29)	225.29
Net impact on profit/(loss) before tax	-	-	142.48	(142.48)

(ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate an allowance for doubtful debts, impairment and expected credit loss that represents its estimate on expected credit loss.

A. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk managed through credit approvals, establishing credit limits and continuously monitoring the creditor thinness of customers to which the Company grants credit terms in the normal course of business.

However, the company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures

B. Cash and cash equivalents

The Company holds cash and cash equivalents with creditworthy banks of ₹ 3,274.99. The credit worthiness of such banks is evaluated by the management on an on-going basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cash flow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day today business. Liquidity needs are monitor edon various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine head room or any shortfalls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.



The below table summaries the maturity profile of the Company's financial liability

Particulars	Carrying amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 years	> 5 years
As at March 31,2023						
Unsecured borrowings	8,957.02	8,957.02	8,957.02	-	-	-
Other financial liabilities	788.36	788.36	788.36	-	-	-

Particulars	Carrying amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 years	> 5 years
As at March 31,2022						
Unsecured borrowings	22,529.09	22,529.09	4,505.82	4,505.82	13,517.45	-
Other financial liabilities	467.73	468.00	468.00	-	-	-

- 30 The financial statements were approved for issue by the Board of Directors on 30 May 2023.
- 31 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- 32 There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- 33 Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.
- 34 Figures in brackets indicate negative (-) figures.
- 35 The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Regn. No. 012063N

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

CA. AJAY AGGARWAL
Partner
Membership No. 090975
UDIN: 23090975BGYTAT9673
Date: 30.05.2023

Gopal Bansal
Managing Director
DIN: 01246420

Mukesh Sharma
Director
DIN: 00274217

Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

Vijay Kumar Dwivedi
Company Secretary
Membership No.: A36168



INDEPENDENT AUDITOR'S REPORT

To
The members of
INDIA FINSEC LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of INDIA FINSEC LIMITED “hereinafter referred to as the Holding Company”) and its subsidiary (Holding and subsidiary together referred to as “the Group”), which comprise the consolidated Balance Sheet as at 31st March 2023, the consolidated statement of profit and loss, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Company as at 31st March, 2023, and the consolidated Net Profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by ICAI, and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Companies Act, 2013. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

S. No.	Key audit matters	Auditor’s response
1.	<u>Loans and advances: -</u>	<u>Our audit procedure inter- alia includes the following:</u>



	<p>Loans are to be disclosed at Amortized Cost using Effective Interest Method prescribed 1. We evaluated the control environment under Ind AS 109 on 'Financial Instruments'. including authorization, sanctioning and We focused on the conditions of disbursement and appropriateness of sanctioning process of the loan granted by the Company.</p>	<ol style="list-style-type: none"> 1 We evaluated the control environment including authorization, sanctioning and disbursement of significant loans advanced during the year. 2 We evaluated the control environment of levying the processing fees on significant loans advanced by the company and its treatment in books of accounts in accordance with Ind AS 109. 3 We have obtained external confirmations from third parties in respect of transactions and closing balance for significant loans advanced by the company. 4 We tested all material entries recorded in connection with the loan advance and interest thereon to determine whether the accounting was appropriate.
2.	<p><u>Compliance of RBI directions and circulars:</u></p>	<p><u>Our audit procedure inter- alia includes the following:</u></p>
	<p>The recent RBI regulations increased the responsibility of auditors of NBFCs.</p> <p>As the Company is an NBFC, it is the responsibility of the Company to duly follow the directions and circulars.</p> <p>We focused on the requisite compliance and disclosure as per the requirements in the norms.</p>	<ol style="list-style-type: none"> 1 We have reviewed the conditions for prudential norms prescribed by the RBI including: - 2 Hold impairment allowance as required by IND AS in parallel with existing prudential norms on IRACP on loan advanced. 3 Transfer of 20% profit to reserve maintained under section 45-IC of the RBI Act. 4 Holding of at least 50% of the financial assets and 50% of the financial income respectively. 5 To comply with the Net owned fund requirement of Rs 5 Crores by March 2025 vide Notification no DOR.CRE.060.CGM 2022

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its subsidiary and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and



maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- 1 Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 2 Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- 3 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 4 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



- 5 Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 6 Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We audited the financial statements of one subsidiary whose financial statements reflect total assets of Rs. 2,760,901 thousand as at 31st March, 2023, total revenues of Rs. 457,670 thousand and net cash outflow amounting to Rs. 26,828.00 thousand for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- 1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- 2 In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



- 3 The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- 4 In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under Section 133 of the Act;
- 5 On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- 6 With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 7 With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The consolidated financial statements have disclosed the impact, if any, of pending litigations on the consolidated financial position of the Group in its consolidated financial statements (Refer to note no. 35 of the consolidated financial statements).
 - b. The Group did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.
 - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary.
 - d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - e. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of



the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

f. Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

8 Dividend is not declared or paid during the year by the company.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN:23090975BGYTAW5231

Place: New Delhi
Dated: 30.05.2023



ANNEXURE-A TO THE INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended 31st March 2023, we have audited the internal financial controls over financial reporting of INDIA FINSEC LIMITED (hereinafter referred to as “the Holding Company”) along with its subsidiary (the Holding Company and its subsidiaries together referred to as “the Group”) as on that date.

Management’s Responsibility for the Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by these entities considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (CAI). 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 fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary.

Meaning of Internal Financial Controls Over Financial Reporting



A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that: -

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being 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 could not be detected. Also, projections of any evaluation of the internal financial control 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, to the best of information and according to explanation given to us and taking into consideration the reports of the other auditors referred to in the Other Matters paragraph below, the Group have maintained in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2023, based on "the internal financial controls over financial reporting criteria 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".

Other Matters

Our aforesaid report under Section 143(3)(G) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary company, which is incorporated in India, is based on the corresponding report of the auditor of such company.

For Ajay Rattan & Co.
Chartered Accountants
Firm Registration No.012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAW5231

Place: New Delhi
Dated: 30.05.2023



INDIA FINSEC LIMITED			
CIN: L65923DL1994PLC060827			
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2023			
(₹ in "000")			
Particulars	Notes	As at 31 Mar 23	As at 31 Mar 22
ASSETS			
Financial assets			
Cash and cash equivalents	3	48,234.61	23,266.75
Bank balance other than cash and cash equivalents	4	78,247.50	1,10,204.31
Receivables			
Trade receivables	5	-	1,080.00
Loans	6	24,96,019.74	14,91,603.23
Investments	7	10,549.70	25,684.21
Other financial assets	8	42,542.90	19,414.84
Non-financial assets			
Current tax assets (net)		-	18,494.96
Deferred tax assets (net)	9	17,963.77	10,352.00
Property, plant & equipment	10	84,270.16	90,018.42
Intangible assets under development	11	-	2,560.60
Goodwill		980.09	980.09
Other intangible assets	12	9,232.52	7,452.52
Other non financial assets	13	3,001.93	1,529.58
Total Assets		27,91,042.92	18,02,641.51
LIABILITIES AND EQUITY			
Financial liabilities			
Payable			
(I) Trade payable		-	-
(i) total outstanding dues of micro enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	-	1,235.79
Borrowings (other than debt securities)	15	17,03,677.83	8,54,327.15
Other financial liabilities	16	1,06,164.56	87,095.61
Non-financial liabilities			
Current Tax Liabilities (Net)		8,682.00	-
Provisions	17	3,166.20	1,332.66
Other non financial liabilities	18	332.66	5,312.67
EQUITY			
Equity share capital	19	2,49,417.15	2,49,417.15
Other equity	20	3,58,053.05	3,27,716.48
Non controlling interest		3,61,549.47	2,76,204.00
Total liabilities and equity		27,91,042.92	18,02,641.51
Notes to the consolidated financial statements	1-44		
The accompanying notes form an integral part of the consolidated financial statements.			
As per our report of even date			
FOR AJAY RATTAN & CO.		For and on behalf of the Board of Directors of INDIA FINSEC LIMITED	
Chartered Accountants			
Firm Registration No. 012063N			
CA. Ajay Aggarwal		Gopal Bansal	Mukesh Sharma
Partner		Managing Director	Director
Membership No. 090975		DIN: 01246420	DIN: 00274217
UDIN: 23090975BGYTAW5231			
Date: 30.05.2023		Manoj Kumar Gupta	Vijay Kumar Dwivedi
Place: Delhi		CFO	Company Secretary
		PAN: AEUPG8308R	Membership No.: A36168



INDIA FINSEC LIMITED			
CIN: L65923DL1994PLC060827			
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31 MARCH 2023			
(₹ in "000")			
Particulars	Notes	For the year ended 31 Mar 23	For the year ended 31 Mar 22
Revenue from operations			
(i) Interest income	21	4,25,420.16	2,24,153.56
(ii) Consultancy service		-	1,000.00
(iii) Dividend income		10.00	10.00
(iv) Fees and commission income		12,578.02	7,418.70
(v) Net gain on fair value changes	22	7,912.33	3,042.26
(vi) Other Operating Revenue		5,872.80	-
I Total revenue from operations		4,51,793.31	2,35,624.52
II Other income	23	12,461.57	7,689.88
III Total Income (I+II)		4,64,254.88	2,43,314.40
EXPENSES			
Finance costs	24	1,71,248.93	56,566.78
Impairment on financial instruments	25	5,618.49	4,081.83
Employee benefit expenses	26	1,46,288.77	81,794.80
Depreciation, amortisation and impairment	10	23,684.20	16,123.89
Other expenses	27	53,394.73	30,932.03
(IV) Total expense		4,00,235.12	1,89,499.33
Profit/ (loss) before exceptional items and tax (III-IV)		64,019.76	53,815.07
Exceptional items		-	-
Profit/ (loss) before tax		64,019.76	53,815.07
Tax expense			
Current tax		25,473.38	18,890.41
Deferred tax		(7,492.31)	(5,476.23)
Profit/ (loss) after tax (III)		46,038.69	40,400.89
OTHER COMPREHENSIVE INCOME			
(i) Items that will not be reclassified to profit or loss			
-Remeasurements of Defined Benefit Obligation		(476.63)	-
- Debt Oriented Mutual Fund instruments through other comprehensive income- gain/ (loss)		119.96	-
Total other comprehensive income (IV)		(356.67)	-
Total comprehensive income (III+IV)		45,682.02	40,400.89
Net profit attributable to: -			
a) Owners of the parent		30,569.12	51,520.76
b) Non controlling interest		15,469.57	(11,119.82)
Total comprehensive income attributable to: -			
a) Owners of the parent		30,336.57	51,520.76
b) Non controlling interest		15,345.45	(11,119.82)
Earning per equity share (EPS)			
[nominal value of share ₹ 10]			
Basic (amount in ₹)		1.85	1.62
Diluted (amount in ₹)		1.85	1.62
Notes to the consolidated financial statements	1-44		
The accompanying notes form an integral part of the consolidated financial statements.			
As per our report of even date			
FOR AJAY RATTAN & CO.		For and on behalf of the Board of Directors of INDIA FINSEC LIMITED	
Chartered Accountants			
Firm Registration No. 012063N			
CA. Ajay Aggarwal		Gopal Bansal	Mukesh Sharma
Partner		Managing Director	Director
Membership No. 090975		DIN: 01246420	DIN: 00274217
UDIN: 23090975BGYTAW5231			
Date: 30.05.2023		Manoj Kumar Gupta	Vijay Kumar Dwivedi
Place: Delhi		CFO	Company Secretary
		PAN: AEUPG8308R	Membership No.: A36168



INDIA FINSEC LIMITED		
CIN: L65923DL1994PLC060827		
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 MARCH 2023		
(₹ in "000")		
Particulars	For the year ended on 31.03.2023	For the year ended on 31.03.2022
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/ (loss) before tax and exceptional items	64,019.76	53815.12
Adjustments for items :-		
Depreciation & amortization expense	23,684.20	16,123.89
Finance costs	-	52,551.24
Impairment of financial instruments	5,618.49	4,081.83
Unrealised gain from fair value changes	(5,370.00)	(888.19)
Operating profit before working capital changes	87952.45	125683.89
Working capital adjustments :-		
(Increase)/ decrease in trade receivables	1,080.00	2,787.50
(Increase)/ decrease in loans	(10,04,416.51)	(5,43,595.71)
(Increase)/ decrease in other bank balances	31,956.80	(55,204.31)
(Increase)/ decrease in other financial assets	(23,128.05)	(4,745.81)
(Increase)/ decrease in other non-financial assets	(1,472.35)	(164.78)
Increase/ (decrease) in trade payables	(1,235.79)	840.40
Increase/ (decrease) in provisions	1,833.54	1,332.66
Increase/ (decrease) in other financial liabilities	19,068.95	70,490.16
Increase/ (decrease) in other non-financial liabilities	(4,980.01)	4,157.81
Cash generated from operations	(8,93,340.98)	(3,98,418.19)
Direct taxes paid	(6,065.38)	(19,410.26)
Net cash flow from operating activities (A)	(8,99,406.36)	(4,17,828.45)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipments	(7,758.60)	(85,486.94)
Addition/ (decrease) in other intangible assets	(4,913.00)	(1,919.07)
Addition/ (decrease) in Intangible assets under development	2,560.60	(2,560.60)
Sale/ (Purchase) of investments	15,134.51	83,322.76
Net cash flow from investing activities (B)	5,023.51	(6,643.85)
CASH FLOW FROM FINANCING ACTIVITIES		
Finance costs	-	(52,551.24)
Net proceeds from borrowings	8,49,350.68	3,46,216.41
Changes in Non- controlling Interest	70,000.03	1,10,199.09
Net cash flow from financing activities (C)	9,19,350.70	4,03,864.26
Net cash flow during the year (A + B + C)	24,967.86	(20,608.04)
Add: Opening cash and cash equivalents	23,266.75	43,874.79
Closing cash and cash equivalents	48,234.60	23,266.75
Components of cash and cash equivalents		
Cash on hand	13,056.74	11,883.94
Balances with bank in current accounts	20,177.87	11,382.81
Balance with banks in fixed deposits (less than 3 months)	15,000.00	-
Total cash and cash equivalents	48,234.61	23,266.75

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date

FOR AJAY RATTAN & CO.

Chartered Accountants

Firm Registration No. 012063N

CA. Ajay Aggarwal

Partner

Membership No. 090975

UDIN: 23090975BGYTAW5231

Date: 30.05.2023

Place: Delhi

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Gopal Bansal

Managing Director

DIN: 01246420

Mukesh Sharma

Director

DIN: 00274217

Manoj Kumar Gupta

CFO

PAN: AEUPG8308R

Vijay Kumar Dwivedi

Company Secretary

Membership No.: A36168



INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31 MARCH 2023

(₹ in "000")

A. Equity share capital: -

I. Current reporting period

Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2022	Changes in equity share capital during the current year	Balance as at 31 March 2023
2,49,417.15	-	2,49,417.15	-	2,49,417.15

II. Previous reporting period

Balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Restated balance as at 1 April 2021	Changes in equity share capital during the current year	Balance as at 31 March 2022
2,49,417.15	-	2,49,417.15	-	2,49,417.15

B. Other equity

I. Current reporting period

Particulars	Reserve & Surplus				Equity instrument through other comprehensive income	Total equity attributable to the owner of parents	Total equity attributable to Non controlling interest	Total
	Retained earnings	Securities premium	In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of income tax Act, 1961	Special reserve (u/s 45IC of RBI Act, 1934)				
Balance as at 1st April 2022	1,24,016.58	1,63,006.25	32,117.89	8,575.76	-	3,27,716.48	2,76,204.00	6,03,920.48
Changes in prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022	1,24,016.58	1,63,006.25	32,117.89	8,575.76	-	3,27,716.48	2,76,204.00	6,03,920.48
Profit for the year	30,336.57	-	-	-	-	30,336.57	15,345.45	45,682.02
Other comprehensive income (net)								
Total other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	30,336.57	-	-	-	-	30,336.57	15,345.45	45,682.02
Transfer to special reserves	(8,947.84)	-	8,947.84	-	-	-	-	-
Appropriation to statutory reserves	(259.29)	-	-	259.29	-	-	-	-
Less Adjustments	-	-	-	-	-	-	-	-
On issue of share capital by subsidiary	-	-	-	-	-	-	70,000.02	70,000.02
Balance as at 31st March 2023	1,45,146.02	1,63,006.25	41,065.74	8,835.04	-	3,58,053.05	3,61,549.47	7,19,602.52

II. Previous reporting period

Particulars	Reserve & Surplus				Equity instrument through other comprehensive income	Total equity attributable to the owner of parents	Total equity attributable to Non controlling interest	Total
	Retained earnings	Securities premium	In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of income tax Act, 1961	Special reserve (u/s 45IC of RBI Act, 1934)				
Balance as at 1st April 2021	80,575.71	1,63,006.25	24,066.30	8,547.46	-	2,76,195.72	1,77,124.73	4,53,320.45
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-
Restated balance as at 1st April 2022	80,575.71	1,63,006.25	24,066.30	8,547.46	-	2,76,195.72	1,77,124.73	4,53,320.45
Profit for the year	51,520.76	-	-	-	-	51,520.76	(11,119.82)	40,400.94
Other comprehensive income (net)								
Total other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	51,520.76	-	-	-	-	51,520.76	(11,119.82)	40,400.94
Transfer to special reserves	(8,051.59)	-	8,051.59	-	-	-	-	-
Appropriation to statutory reserves	(28.30)	-	-	28.30	-	-	-	-
On issue of share capital by subsidiary	-	-	-	-	-	-	1,10,199.09	1,10,199.09
Balance as at 31st March 2022	1,24,016.58	1,63,006.25	32,117.89	8,575.76	-	3,27,716.48	2,76,204.00	6,03,920.48

Notes to the consolidated financial statements 1-44
As per our report of even date

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Registration No. 012063N

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAW5231

Date: 30.05.2023
Place: Delhi

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

Gopal Bansal
Managing Director
DIN: 01246420

Mukesh Sharma
Director
DIN: 00274217

Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

Vijay Kumar Dwivedi
Company Secretary
Membership No.: A36168



Notes to Consolidated financial statements for the year ended 31st March 2023

1. Corporate Information

India Finsec Limited was incorporated on 10th day of August 1994. It is registered with Registrar of Companies, Delhi. The company is primarily engaged in the business of Non- Banking Finance Company in India. The company has Regn No./SEBI Listed Scrip code INE474O01010.

2. Significant Accounting Policies

2.1 Statement of Compliances

The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis for preparation of Consolidated financial statements:

The financial statements have been prepared in historical cost basis except for certain financial instruments which are measured at fair value or amortised cost at the end which is generally based on the fair value of consideration given in exchange for goods and services. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle. Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cashand cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

2.3 Principles of consolidation :

The consolidated financial statements comprise of the holding company India Finsec Limited and its subsidiary in accordance with the requirements of Ind AS 110- Consolidated Financial Statements. The consolidated financial statements have been prepared on the following bases: -

- 2.3.1 The financial statements of the holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, afterfully eliminating intra-group balances and intra-group transactions.
- 2.3.2 Profits or losses resulting from intra-group transactions that are recognized in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
- 2.3.3 Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries.
- 2.3.4 The financial statements of the associate/ subsidiary companies used in the consolidation are drawn upto the same reporting date as of the Company i.e. year ended March 31, 2023.
- 2.3.5 The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- 2.3.6 The carrying amount of the parent's investment in each subsidiary is offset (eliminated) against the parent's portion of equity in each subsidiary.
- 2.3.7 The difference between the proceeds from disposal of investment in subsidiaries and the carrying amount of its assets less liabilities as on the date of disposal is recognized in the Consolidated statement of profit & loss being the profit or loss on disposal of investment in subsidiary.



2.3.4 Non-Controlling Interest's share of profit / loss of consolidated subsidiaries for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

2.3.4.1 Non-Controlling Interest's share of net assets of consolidated subsidiaries is identified and presented in the Consolidated Balance Sheet.

Changes in a parent's ownership interest after control is obtained that do not result in a change in control of the subsidiary are accounted for as equity transactions. The carrying amount of the non-controlling interest is adjusted to reflect the change in the non-controlling interest's ownership interest in the subsidiary. Any difference between the amount by which the non-controlling interest is adjusted and the fair value of the consideration paid or received is recognized in equity and attributed to the parent's equity holders.

2.4 Use of Estimates

The preparation of the consolidated financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of these financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised.

2.5 Critical accounting estimates:

2.5.1 Income Taxes:

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

2.5.2 Impairment of Investments:

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

2.5.3 Provisions:

Provisions are recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

2.5.4 Effective Interest Rate (EIR) Method:

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioral life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments, restructuring and penalty interest and charges). This estimation, by nature, requires an element of judgement regarding the expected behavior and life-cycle of the instruments and other fee income/expense that are integral parts of the instrument.

2.6 Property plant and equipment (PPE)

PPE are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

The company has chosen the cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of PPE is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.



Depreciation on PPE, including assets taken on lease, other than freehold land is charged based on written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of PPE	Useful life (in years)
Furniture and fixture	10
Vehicles	8
Office equipment	5
Computer	3
Plant and Machinery	15

An item of PPE is derecognized 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 PPE are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognized in the profit and loss.

At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

2.7 Intangible assets and amortisation

Intangible assets, representing software are initially recognised at cost and subsequently carried at cost less accumulated amortisation and accumulated impairment. The intangible assets are amortised using the written-down value method over a period of five years, which is the Management's estimate of its useful life. The useful lives of intangible assets are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.8 Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

2.8.1 **Interest Income** : The Company recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. EIR is calculated by considering all costs and other incomes attributable to acquisition of a financial assets.

2.8.2 **Dividend**: Dividend income from investments is recognised when the shareholders' right to receive payment has been established which is generally when the shareholders approve the dividend.

2.8.3 **Other revenue from operations** : The Company recognises revenue from contracts with customers (other than financial assets to which Ind AS 109 'Financial Instruments' is applicable) based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognises revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.

2.9 Financial Instruments:

2.9.1 **Financial Assets**

Recognition and initial measurement: -



Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially at fair value adjusted for transaction cost. Processing fees earned on disbursement of loan assets have been recognized in revenue over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement: -

Equity instrument and Mutual Fund: - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De- Recognition of financial Assets: -

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

2.9.2 Financial Liabilities : -

Recognition and initial measurement: -

All financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified at amortised cost. Processing fees paid on borrowed loans have been amortised over the tenure of loan in proportion to the closing principal outstanding at the end of each year.

Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest rate method.

De-recognition of financial liabilities

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

**2.9.3 Off setting of financial instrument: -**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

2.9.4 Impairment of Financial Assets: -

Equity instruments, Debt Instruments and Mutual Fund: -In accordance with Ind-AS 109, the company applies expected credit loss model for measurement and recognition of impairment loss for financial assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the company expects to receive.

2.9.5 Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

2.9.6 Expected Credit Loss (ECL): -

Financial assets where no significant increase in credit risk has been observed are considered to be in 'Stage 1' and for which a 12-month ECL is recognised. Financial assets that are considered to have significant increase in credit risk are considered to be in 'Stage 2' and those which are in default or for which there is an objective evidence of impairment are considered to be in 'Stage 3'. Lifetime ECL is recognised for the financial assets categorised under 'Stage 2' and 'Stage 3'.

At initial recognition, allowance (or provision in the case of loan commitments) is required for ECL towards default events that are possible in the next 12 months, or less, where the remaining life is less than 12 months. In the event of a significant increase in credit risk, allowance (or provision) is required for ECL towards all possible default events over the expected life of the financial instrument ('Lifetime ECL'). Financial assets (and the related impairment loss allowances) are written off in full, when there is no realistic prospect of recovery.

2.10 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short- term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts if they are considered an integral part of the Company's cash management.

2.11 Taxations

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961.

Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively.

Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.



Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled.

Deferred tax assets include Minimum Alternative Tax (MAT) paid which is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

2.12 Employee benefits

2.12.1 Short-term employee benefits: -

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

2.13 Earning Per Share

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

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

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

2.14 Provision, contingent liabilities and contingent assets

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs. Contingent Assets and Contingent Liabilities are not recognized in the Ind AS financial statements.

Company's policy is to carry adequate amounts towards Provision for Standard Assets, Non-Performing Assets (NPAs) and other contingencies. All loans and other credit exposures where the installments are overdue for ninety days and more are classified as NPAs in accordance with the prudential norms prescribed by the National Housing Bank (NHB). The provisioning policy of Company covers the minimum provisioning required as per the NHB guidelines.



Provisions are established on a collective basis against loan assets classified as “Standard” to absorb credit losses on the aggregate exposures in each of the loan portfolios based on the NHB Directions. A higher non-performing asset provision may be made based upon an analysis of past performance, level of allowance already in place and Management's judgment. This estimate includes consideration of economic and business conditions. The amount of the allowance for credit losses is the amount that is required to establish a balance in the Provision for Non-Performing Assets Account that management consider adequate, after consideration of the prescribed minimum requirement under the NHB Directions, to absorb credit related losses in its portfolio of loan items after individual allowances or write offs.

2.15 Leases :

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.



INDIA FINSEC LIMITED

CIN: L65923DL1994PLC060827

Notes to Consolidated financial statements for the year ended 31 March 2023

Particular	As at 31 Mar 23	As at 31 Mar 22				
3. Cash and cash equivalents	NOTE 3					
Cash on hand (as certified)	13,056.74	11,883.94				
<u>Balances with banks</u>	-	-				
- In current account	20,177.87	11,336.09				
- Remittance in Transit	-	46.72				
<u>In Other Deposit Accounts</u>						
- In fixed deposits (maturities less than 3 months)	15,000.00	-				
TOTAL	48,234.61	23,266.75				
4. Bank balance other than cash and cash equivalents	NOTE 4					
Fixed deposit with bank (maturities more than 3 months)						
- In fixed deposits (maturities more than 3 months)	78,247.50	1,10,204.31				
TOTAL	78,247.50	1,10,204.31				
5. Trade receivables	NOTE 5					
Undisputed trade receivable-Less than 6 months						
- Consider good	-	1,080.00				
TOTAL	-	1,080.00				
5.1 Trade receivables ageing schedule						
	Outstanding from due date of payment as on 31st March 2023					
Particular	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables : considered good	-	-	-	-	-	-
	Outstanding from due date of payment as on 31st March 2022					
Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade receivables : considered good	1,080.00	-	-	-	-	1,080.00
5.2	There are no unbilled dues during the financial year.					
6. Loans	NOTE 6					
<u>(A) Loans</u>						
Term loans	1,994.72					36,776.61
Housing loans	14,70,901.00					8,55,954.66
Loan against property	1,78,343.00					2,20,506.39
Loan against shares	-					18,133.90
Loan against gold jewellery	8,59,683.00					3,70,550.91
TOTAL GROSS (A)	25,10,921.72					15,01,922.47
Less: impairment loss allowance (expected credit loss)	(14,901.98)					(10,319.24)
TOTAL NET (A)	24,96,019.74					14,91,603.23
(B) (i) Secured by tangible assets	25,10,921.72					14,70,819.49
(ii) Secured by intangible assets	-					18,133.90
(ii) Unsecured	-					12,969.08
TOTAL GROSS(B)	25,10,921.72					15,01,922.47
Less: Impairment loss allowance (expected credit loss)	(14,901.98)					(10,319.24)
TOTAL NET (B) (II)	24,96,019.74					14,91,603.23
(C) (I) Loans in india						
(i) Public sector	-					-
(ii) Others	25,10,921.72					15,01,922.47
TOTAL GROSS (c) (I)	25,10,921.72					15,01,922.47
Less: impairment loss allowance (expected credit loss)	(14,901.98)					(10,319.24)
TOTAL NET (c) (I)	24,96,019.74					14,91,603.23
(II) Loans outside india						-
Less: Impairment loss allowance (expected credit loss)						-
TOTAL NET (c) (II)	-					-
TOTAL NET (c) (I) and (II)	24,96,019.74					14,91,603.23



6.1 Additional disclosure in respect of loan and advance :-

Particulars	As at 31st March 2023		As at 31st March 2022	
	Amount of loan outstanding	Percentage of the total loan and advances	Amount of loan outstanding	Percentage of the total loan and advances
Loans and advances granted to promoters, directors, KMPs and other related parties	Nil	Nil	Nil	Nil

7. Investments

NOTE 7

In India

(a) Mutual fund (FVTPL/FVTOCI)	9,999.50	19,999.00
(b) Add: Fair value gain	50.20	293.25
(c) Equity instruments (quoted) At FVTPL	-	5,391.96
(d) Debeture 12%	500.00	
Net fair value (d-e)	10,549.70	25,684.21

8. Other financial assets

NOTE 8

Security deposits	3,699.92	3,575.03
Accrued interest on FDR	4,758.36	6,715.52
Accrued interest on Others	229.38	115.00
Balances with Govt Authorities	22,686.27	-
Cash collateral	5,812.50	7,922.96
Others	5,356.47	1,086.33
TOTAL	42,542.90	19,414.84

9. Deferred tax assets (net)

NOTE 9

At start of the year	10,352.00	4,875.77
Credit/ (charge) to statement of profit and loss	7,491.77	5,476.23
Credit/ (charge) to other comprehensive income	120.00	-
At end of the year	17,963.77	10,352.00

9.1 Deferred tax asset is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

9.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below: -

Timing difference on accounts of :-	For the year ended on 31st March 2023			
	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant & equipment	1,275.88	469.00	-	1,744.88
Others	9,076.12	7,023.31	120.00	16,219.43
Total	10,352.00	7,492.31	120.00	17,964.31

Timing difference on accounts of :-	For the year ended on 31st March 2022			
	Opening balance	Recognised in statement of profit and loss	Recognised in OCI	Closing balance
Property, plant & equipments	538.70	737.18	-	1,275.88
Others	4,337.07	4,739.05	-	9,076.12
Total	4,875.77	5,476.23	-	10,352.00



10. Property, plant & equipment		NOTE 10					
<u>Carrying amount:</u> -							
Office premises (right of use asset)		67,998.00	70,701.26				
Furniture & fixtures		8,219.35	8,540.79				
Vehicles		516.17	728.96				
Office equipments		3,802.44	4,230.22				
Computers		2,401.48	4,617.46				
Plant & machinery		1,332.73	1,199.73				
TOTAL		84,270.16	90,018.42				
	Offi premi	Furniture & fixtures	Vehicles	Office equipments	Computers	Plant & Machinery	Total
<u>Cost or Deemed Cost:</u> -							
Balance as at 1st April 2021		4,534.67	2,347.79	3,653.17	3,425.93	-	28,603.57
Additions during the year		7,004.13	160.74	4,122.07	5,784.06	1,376.67	85,592.10
Asset disposed/ written off during the year		-	-	(88.19)	(16.98)	-	(105.17)
Balance as at 31st March 2022		11,538.80	2,508.53	7,687.05	9,193.01	1,376.67	1,14,090.50
Additions during the year		2,335.00	-	1,604.00	1,050.60	389.00	14,775.66
Asset disposed/ written off during the year		-	-	(8.72)	-	-	(8.72)
Balance as at 31st March 2023		13,873.80	2,508.53	9,282.33	10,243.61	1,765.67	1,28,857.44
<u>Accumulated depreciation:</u> -							
Balance as at 1st April 2021		1,316.47	1,489.27	2,064.95	2,405.08	-	10,509.50
Charge for the year		1,681.54	290.30	1,391.88	2,170.47	176.94	13,562.58
Adjusted on assets disposed/ written off		-	-	-	-	-	-
Balance as at 31st March 2022		2,998.01	1,779.57	3,456.83	4,575.55	176.94	24,072.08
Charge for the year		2,656.44	212.79	2,023.06	3,266.58	256.00	20,515.20
Adjusted on assets disposed/ written off		-	-	-	-	-	-
Balance as at 31st March 2023		5,654.45	1,992.36	5,479.89	7,842.13	432.94	44,587.28
<u>Carrying amount:</u> -							
Balance as at 31st March 2022		8,540.79	728.96	4,230.22	4,617.46	1,199.73	90,018.42
Balance as at 31st March 2023		8,219.35	516.17	3,802.44	2,401.48	1,332.73	84,270.16
10.1	All the above property, plant & equipment are owned by the company unless specified otherwise.						
10.2	The company has not made any of change (10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment) in the value of Property, Plant & Equipments due to revaluation.						
11. Intangible asset under development		NOTE 11					
Intangible assets under development		-	2,560.60				
TOTAL		-	2,560.60				

12. Other intangible assets		NOTE 12	
<u>Carrying amount:</u> -			
Software		9,232.52	7,452.52
TOTAL		9,232.52	7,452.52
<u>Cost or deemed cost:</u> -			
Balance as at 1st April 2021			11,137.45
Additions during the year			1,919.07
Balance as at 31st March 2022			13,056.52
Additions during the year			4,948.99
Assets disposal/ written off during the year			
Balance as at 31st March 2023			18,005.51
<u>Accumulated Depreciation:</u> -			
Balance as at 1st April 2021			3,042.68
Charge for the year			2,561.31
Balance as at 31st March 2022			5,603.99
Charge for the year			3,169.00
Balance as at 31st March 2023			8,772.99
<u>Carrying amount:</u> -			
Balance as at 31st March 2022			7,452.53
Balance as at 31st March 2023			9,232.52



13. Other non-financial assets	NOTE 13				
Balance with Statutory Authorities		838.93			-
Prepaid expenses		2,163.00			1,529.58
TOTAL		3,001.93			1,529.58
14 Trade payables	NOTE 14				
(i) total outstanding dues of micro enterprises and small enterprises		-			-
(ii) total outstanding dues of other than micro enterprises and small enterpr		-			1,235.79
TOTAL		-			1,235.79
14.1	There are no dues to Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as at balance sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.				
	Trade payable due for payment and the ageing schedule as below:-				
	Outstanding from due date of payment as on 31st March 2023				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Others than MSME	-	-	-	-	-
	Outstanding from due date of payment as on 31st March 2022				
Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Others than MSME	1,235.79	-	-	-	1,235.79
15. Borrowings (other than debt securities)	NOTE 15				
<u>Secured</u>					
<u>At Amortised Cost</u>					
Term loans:					
- From banks		5,17,564.64			4,56,408.93
- From other non-banking financial institutions		8,56,859.02			1,53,821.78
- From national housing bank		1,05,206.00			90,056.00
Overdraft:					
- From banks		90,091.15			1,31,511.35
Others					
- Loans from related parties (unsecured)		-			-
- others		8,957.02			22,529.09
		15,78,677.83			8,54,327.15
<u>Unsecured</u>					
<u>At Amortised Cost</u>					
Term Loans:					
- From Other Non-Banking Financial Companies		1,25,000.00			-
TOTAL		1,25,000.00			-
Out of above:					
In India		17,03,677.83			8,54,327.15
Outside India		-			-
16 Other financial liabilities	NOTE 16				
Other expenses payable		15,216.50			10,987.25
Statutory Dues Payable		3,851.17			-
Lease liability		74,136.49			72,832.73
Interest accrued on loan		7,777.06			374.47
Other Payables		5,183.34			2,901.16
TOTAL		1,06,164.56			87,095.61



17 Provisions	NOTE 17	
Provision for employee benefits		
-Gratuity	2,709.62	1,090.67
-Leave encashment	456.58	241.99
TOTAL	3,166.20	1,332.66

18 Other non financial liabilities	NOTE 18	
Payable to government authorities	162.66	1,142.90
Advance interest received on loans	170.00	4,169.77
TOTAL	332.66	5,312.67

19 Equity share capital	NOTE 19			
	As at 31st March 2023		As at 31st March 2022	
	Nos.	(₹ in "000)	Nos.	(₹ in "000)
Authorized shares				
Equity shares of ₹ 10 each with voting rights	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00
Issued, subscribed and fully paid- up shares	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00

19.1 Reconciliation of number of equity shares and amount outstanding	As at 31st March 2023		As at 31st March 2022	
	Nos.	(₹ in "000)	Nos.	(₹ in "000)
Equity Shares				
- At the beginning of the period	2,49,41,715	2,49,417.15	2,49,41,715	2,49,417.15
- Issued during the year	-	-	-	-
Total outstanding at the end of the period	2,49,41,715	2,49,417.15	2,49,41,715	2,49,417.15

19.2 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian ₹. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

19.3 Details of shareholders holding more than 5% shares in the company: -

	As at 31st March 2023		As at 31st March 2022	
	Nos.	% holding	Nos.	% holding
Fidelo Foods (P) Ltd.	45,37,050	18.19%	45,37,050	18.19%
Mukesh Sharma	12,92,540	5.18%	12,92,540	5.18%
Gopal Bansal	40,15,741	16.10%	32,87,943	13.18%
Sunita Bansal	12,95,530	5.19%	12,95,530	5.19%

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

19.4 Details of shares held by promoters in the company

Promoter Name	31st March 2023		31st March 2022		% Change during the year
	No of Shares	% of total Shares	No of Shares	% of total Shares	
Gopal Bansal	40,15,741	16.10%	40,15,741	16.10%	0.00%
Sunita Bansal	12,95,530	5.19%	12,95,530	5.19%	0.00%
Mukesh Sharma	12,92,540	5.18%	12,92,540	5.18%	0.00%
Manoj Sharma	7,60,665	3.05%	7,60,665	3.05%	0.00%
Gopal Bansal Huf	3,95,000	1.58%	3,95,000	1.58%	0.00%
Ganga Devi Bansal	5,31,000	2.13%	1,41,000	0.57%	276.60%
Fidelo Foods Private Limited	45,37,050	18.19%	45,37,050	18.19%	0.00%
Daisy Distributors Private Limited	10,18,275	4.08%	2,59,547	1.04%	292.33%
Total	1,38,45,801	55.51%	1,26,97,073	50.91%	

There is a change in promoters shareholding during the period ended March 31 2023 and March 31 2022.



20 Other equity	NOTE 20	
<u>Statutory Reserves</u>		
Special reserve (u/s 45IC of RBI Act, 1934)		
Balance as per last balance sheet	8,575.76	8,547.46
Add: Transfer from surplus	259.29	28.30
Closing balance	8,835.05	8,575.76
<u>In terms of section 29C of the NHB Act, 1987 and Sec 36(1)(viii) of Income Tax Act, 1961</u>		
Balance as per last financial statements	32,117.89	24,066.30
Add: Transferred during the year	8,947.84	8,051.59
Closing balance	41,065.73	32,117.89
<u>Securities premium</u>		
Opening balance	1,63,006.25	1,63,006.25
Add/(Less): issue/ (transfer) during the year	-	-
Closing balance	1,63,006.25	1,63,006.25
<u>Retained earnings</u>		
Balance as per last financial statements	1,24,016.58	80,575.71
Add/(Less): Profit/ (loss) for the year	30,336.57	51,520.76
Less: Adjustment	-	-
Less: Transfer to special reserve u/s 45-IC of RBI Act	(259.29)	(28.30)
Less: Transfer to special reserve u/s 29C of NHB Act, 1987 and Section 36(1)(viii) of Income tax Act, 1961	(8,947.84)	(8,051.59)
Net surplus in statement of profit and loss	1,45,146.02	1,24,016.58
<u>Equity instruments through other comprehensive income</u>		
Opening balance	-	-
Add/(Less): Addition/ (deletion) during the year	-	-
Closing balance	-	-
	3,58,053	3,58,053.05
		3,27,716
		3,27,716
21 Interest income	NOTE 21	
Interest income		
On financial assets measured at amortised cost		
- on loans	4,18,087.29	2,16,632.98
- Interest on deposits with banks	7,332.87	7,520.58
TOTAL	4,25,420.16	2,24,153.56
22 Net gain on fair value changes	NOTE 22	
(a) Net gain on fair value changes	5,370.00	2,447.32
Fair value changes:		
- Realised	5,320.00	2,154.07
- Unrealised	50.00	293.25
Net gain on fair value changes (a)	5,370.00	2,447.32
(b) Income from shares & securities		
Opening value of shares & securities(held at FVTPL)	5,391.96	4,797.03
Less: Closing value of shares & securities (held at FVTPL)	56.50	5,391.96
Less: Sale of shares and securities	7,877.79	-
Net gain/(loss) on fair value changes	2,542.33	594.93
Realised	2,526.45	-
Unrealised	15.88	594.94
Net gain on fair value changes(b)	2,542.33	594.94
Total gain / (loss) on fair value changes (a+b)	7,912.33	3,042.26



23 Other income	NOTE 23	
Other interest income	2,687.40	473.79
Interest on refund	24.87	2.88
Advertisement Income	8,826.00	-
Profit de-recognition of ROU asset	-	-
Other income	923.30	7,213.21
TOTAL	12,461.57	7,689.88
24 Finance cost	NOTE 24	
<u>On financial liabilities measured at amortised cost:</u>		
- Interest on borrowings	1,64,278.73	52,551.24
<u>On financial liabilities measured at fair value through profit and loss:</u>		
- Interest on lease liability	6,970.20	4,015.54
TOTAL	1,71,248.93	56,566.78
25 Impairment on financial instruments	NOTE 25	
On Financials Instruments measured at amortised cost		
- Loans	5,618.49	3,958.27
- Bad debts written off	-	123.56
TOTAL	5,618.49	4,081.83
26 Employee benefit expenses	NOTE 26	
Salaries and allowances	1,23,237.58	69,741.60
Employer contribution to ESIC	1,446.29	828.19
Employer contribution to PF	6,450.95	3,747.34
Gratuity expense	1,142.00	1,090.67
Staff welfare expenses	2,241.00	1,133.75
Bonus and other incentives	11,770.95	5,253.25
TOTAL	1,46,288.77	81,794.80
27 Other expenses	NOTE 27	
Advertisement expenses	1,678.24	1,568.49
Bank charges	6.76	702.01
Branch opening expense	2.00	25.52
Commission expense	507.00	55.18
Communication expenses	807.00	400.89
Conveyance expenses	7,626.35	4,012.17
Document handling & storage and related expense	814.00	315.01
<u>Donations</u>		
- for corporate social responsibility	1,150.00	700.00
Fees & subscription	3,768.90	813.08
GST reversal u/s 42	95.16	119.89
Interest and penalties on statutory dues	32.88	75.66
Insurance expense	2,744.00	1,273.66
Legal & professional charges	12,325.32	7,681.88
Listing fees	129.50	325.00
Office maintenance	945.23	1,531.10
Other expenses	5,161.49	2,585.62
<u>Payment to statutory auditors</u>		
- towards audit fees	196.00	148.50
- towards certification and consultancy	85.00	99.84
Postage, stamp & couriers	1,141.99	523.46
Printing and stationery	2,199.58	1,831.91
Rent, rates and taxes	4,097.00	1,279.86
Sitting fee	251.00	318.83
Software expense	3,645.77	2,894.09
Service maintenance charges	814.00	278.19
Tour and traveling expenses	763.00	324.13
Vehicle running and maintenance expenses	2,407.56	1,048.06
TOTAL	53,394.73	30,932.03



INDIA FINSEC LIMITED
CIN: L65923DL1994PLC060827

Notes to Consolidated financial statements for the year ended 31 March 2023

NOTE 28

28 Related parties :-

- (a) As per Ind AS 24, the disclosures of transactions with the related parties are given below: -
Transaction and balances with its own subsidiaries are eliminated on consolidation.

(i) Subsidiary Company	M/S. IFL Housing Finance Limited
(ii) Key Management Personnel	Mr. Gopal Bansal (Managing Director)
	Mr. Mukesh Sharma (Director)
	Mr. Manoj Kumar Gupta (CFO)
	Mr. Vijay Kumar Dwivedi (Company Secretary)
(iii) Relatives of Key Management Personnel	Mrs. Sunita Bansal
(iv) Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	M/s. Gopal Bansal (HUF) M/s Daisy Distributors Pvt. Ltd.

- (b) Transactions made with the "Related parties" during the year: -

S. N	Transaction with	Nature of transaction	As at 31 Mar 23	As at 31 Mar 22
(i)	Subsidiary Company: -			
	IFL Housing Limited	Repayment received	3,673.42	56.88
		Loan given	3,003.35	514.61
		Interest Income	219.92	16.02
(ii)	Key Management Personnel: -			
	Mr. Gopal Bansal	Loan taken	25,428.99	-
		Loan repaid	25,428.99	-
		Interest	66.79	-
	Mr. Manoj Kumar Gupta	Remuneration	888.24	960.0
	Mr. Mukesh Sharma	Sitting fees	18.0	14.0

- (c) Closing balances with "Related parties" at the end of the year: -

S. No	Transaction with	Description	Balance as at 31 Mar 23	Balance as at 31 Mar 22
(i)	Subsidiary Company: -			
	IFL Housing Limited	Loan given	-	472.15
		Corporate guarantee	18,40,000.00	10,80,000.00
(ii)	Key Management Personnel: -			
	Mr. Mukesh Sharma	Sitting fees	16.20	12.60
	Mr. Manoj Kumar Gupta	Remuneration	74.02	74.02

29 Financial risk management

NOTE 29

The Company has exposure to the following risks arising from financial instruments:

- (i) Market risk
(a) Interest rate risk;
(ii) Credit risk and ;
(iii) Liquidity risk

Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk . The Company's primary risk management focus is to minimize potential adverse effects of risks on its financial performance. The Company's risk management assessment policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same. Risk assessment and management of these policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee are responsible for overseeing these policies and processes.

**(i) Market risk**

Market risk is the risk of changes in the market prices on account of foreign exchange rates, interest rates and Commodity prices, which shall affect the Company's income or the value of its holdings of its financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the returns.

(a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to borrowings from banks and others.

For details of the Company's short-term and long term loans and borrowings refer note 6 and 15.

Interest rate sensitivity - variable rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased /(decreased) equity and profit or loss by amounts shown below. This analysis assumes that all other variables, in particular, foreign currency exchange rates, remain constant. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date.

Impact on Profit/(loss) before tax	For the year ended on 31st March 2023		For the year ended on 31st March 2022	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
On account of Variable Rate on Loans and advances given	2,017.00	(2,017.00)	14,916.03	(14,916.03)
On account of Variable Rate on borrowings	14,354.00	(14,354.00)	(8,543.27)	8,543.27
Net impact on profit/(loss) before tax	16,371.00	-16,371.00	6,372.76	(6,372.76)

(ii) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the company's receivables from customer. The Company establishes an allowance for doubtful debts, impairment and expected credit loss that represents its estimate on expected credit loss.

A. Trade receivables

The Company's exposure to credit risks influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry has an influence on credit risk assessment. Credit risk managed through credit approvals, establishing credit limits and continuously monitoring the creditor thinness of customers to which the Company grants credit terms in the normal course of business.

However, the company does not expect any losses from non-performance by these counter-parties apart from those already given in financials, and does not have any significant concentration of exposures.

B. Cash and cash equivalents

The Company holds cash and cash equivalents with creditworthy banks of ₹ 6,304.13. The credit worthiness of such banks is evaluated by the management on an on-going basis and is considered to be good.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company has been taking measures to ensure that the Company's cashflow from business borrowing is sufficient to meet the cash requirements for the Company's operations. The Company managing its liquidity needs by monitoring forecasted cash inflows and outflows in day today business. Liquidity needs are monitored on various time bands, on a day to day and week to week basis, as well as on the basis of a rolling 30 day projections. Net cash requirements are compared to available working capital facilities in order to determine head room or any shortfalls. Presently company's objective is to maintain sufficient cash to meet its operational liquidity requirements.

The below table summaries the maturity profile of the Company's financial liability

Particulars	Carrying Amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 year	> 5 Year
As at 31 March, 2023						
Unsecured	17,03,677.83	17,03,677.82	5,32,405.82	8,29,978.00	2,26,073.00	1,15,221.00
Trade payable	-	-	-	-	-	-
Other financial	1,06,164.56	1,06,164.55	33,870.55	2,221.00	3,597.00	66,476.00



Particulars As at 31 March 2022	Carrying Amount	Contractual cash outflow				
		Total	1 year or less	1-2 year	2-5 year	> 5 Year
Insecured borrowings	8,54,327.15	8,54,327.15	2,99,626.67	2,81,553.38	1,71,030.16	1,02,116.94
Trade payable	1,235.79	1,235.79	1,235.79	-	-	-
Other financial	87,095.61	87,095.61	21,364.67	17,244.00	13,426.00	35,060.94

30 Categories of financial instruments and its fair value measurement**NOTE 30**

Particulars	As at 31 Mar 23	As at 31 Mar 22
Financial assets		
<u>Measured at amortised cost</u>		
(i) Trade receivables	-	1,080.00
(ii) Cash and cash equivalents	48,234.61	23,266.75
(iii) Loans	24,96,019.74	14,91,603.23
(iv) Other financial assets	42,542.90	19,414.84
<u>Measured at fair value through other comprehensive income</u>		
(i) Investment in quoted equity instruments	10,549.70	25,684.21
Total	25,97,346.95	15,61,049.03
Financial liabilities		
<u>Measured at amortised cost</u>		
(i) Borrowings	17,03,677.83	8,54,327.15
(ii) Other financial liabilities	1,06,164.56	87,095.61
(iii) Trade and other payables	-	1,235.79
Total	18,09,842.39	9,42,658.55
	As at 31 Mar 23	As at 31 Mar 22
Fair value Measurement		
Financial assets (Fair Market Value- Level 1)	-	-
Investment in quoted equity share	-	-

NOTE 31

Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below:

Particular	As at 31 Mar 23	As at 31 Mar 22
	Principal amount due remaining unpaid	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil

32 The following subsidiary company is considered in the Consolidated financial statements:-**NOTE 32**

S. No	Name of Subsidiary	Country of incorporation	% of Equity holding either directly or through subsidiaries	
			As at 31st March 2023	As at 31st March 2022
(i)	Subsidiary			
	IFL Housing Finance Limited	India	62.72%	65.67%


33 Additional information pursuant to the requirements of Schedule-III of the Companies Act, 2013 in Consolidated Financial Statements is as under:-

NOTE 33

Name of the entity in the group	Net Assets		Share in Profit and Loss		Share in other Comprehensive Income		Share in total Comprehensive Income	
	As a % of consolidated net assets	Amount (Rs. In "000")	As a % of consolidated profit	Amount (Rs. In "000")	As a % of consolidated other comprehensive Income	Amount (Rs. In "000")	As a % of consolidated Total comprehensive Income	Amount (Rs. In "000")
Parent								
India Finsec Limited	2.09%	20,233.12	2.82%	1,298.08	-	-	2.84%	1,298.08
Subsidiary								
IFL Housing Finance Limited	97.91%	9,48,786.82	97.18%	44,740.62	100.00	-356.67	97.16%	44,383.95
Total	100.00%	9,69,019.94	100.00%	46,038.70	100.00	-356.67	100.00%	45,682.03

NOTE 34

34 Particular	As at 31st March 2023	As at 31st March 2022
Foreign currency earnings, expenditures and outgo	Nil	Nil
Total	Nil	Nil

NOTE 35

35 Particular	As at 31st March 2023	As at 31st March 2022
Contingent liabilities not provided for: -		
Guarantees issued to Financial Institutions/ Bankers for loans taken by IFL Housing Finance	18,40,000.00	10,80,000.00
Total	18,40,000.00	10,80,000.00

36 Ratio Analysis and its components

NOTE 36

S. N	Particulars	As at 31st March 2023	As at 31st March 2022	% change March 31 2023	
1	Capital to risk -weighted asset ratio (CRAR)	0.22	0.33	32.39	-27.30%
2	Tier I CRAR	27,23,864.46	17,49,547.71	-55.69	51.07%
3	Tier II CRAR	-	-	-	0.00%
4	Liquidity coverage ratio	-0.08	0.05	247.58	-13.42%

Reasons for variance of more than 25% in above ratios

1	Capital to risk -weighted asset ratio (CRAR)	Due to increase in risk weighted asset
2	Tier I CRAR	Due to increase in risk weighted asset

Components of Ratio

(In 000's)

S. N	Ratios	Numerator	Denominator	March 31st 2023		March 31st 2022	
				Numerator	Denominator	Numerator	Denominator
1	Capital to risk -weighted asset ratio (CRAR)	Tier I Capital + Tier II Capital	Risk weighted assets	6,06,490.11	27,23,864.46	5,76,153.54	17,49,547.71
2	Tier I CRAR	Tier I	CRAR	6,06,490.11	0.22	5,76,153.54	0.33
3	Tier II CRAR	Tier II	CRAR	-	0.22	-	0.33
4	Liquidity Coverage Ratio	HQLA	Net cash flow	1,26,482.11	-16,83,419.81	1,33,471.06	26,21,676.08



- 37** The Consolidated financial statements were approved for issue by the Board of Directors on 30th day of May, 2023. **NOTE 37**
- 38** The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses. **NOTE 38**
- 39** There were no amounts that were required to be transferred to the Investor Education and Protection Fund by the Company. **NOTE 39**
- 40** Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary. **NOTE 40**
- 41** Figures have been rounded off to the nearest thousands of ₹. **NOTE 41**
- 42** Figures in brackets indicate negative (-) figures. **NOTE 42**
- 43** The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. **NOTE 43**
- 44** The company does not have transactions with the companies struck off under section 248 of Companies Act ,2013. **NOTE 44**

FOR AJAY RATTAN & CO.
Chartered Accountants
Firm Registration No. 012063N

For and on behalf of the Board of Directors of
INDIA FINSEC LIMITED

CA. Ajay Aggarwal
Partner
Membership No. 090975
UDIN: 23090975BGYTAW5231

Gopal Bansal
Managing Director
DIN: 01246420

Mukesh Sharma
Director
DIN: 00274217

Date: 30.05.2023
Place: Delhi

Manoj Kumar Gupta
CFO
PAN: AEUPG8308R

Vijay Kumar Dwivedi
Company Secretary
M. No.: A36168



ATTENDANCE SLIP

Full Name and Address of the Shareholder/Proxy Holder(in block letters)	
Joint Holder 1(in block letters)	
Joint Holder 2(in block letters)	
Folio No./DP ID*/Client ID*:	
No. of Shares Held	
<p>I hereby certify that I am a member/proxy for the member of the Company.</p> <p>Signature of Shareholder/Proxy</p>	

I/we hereby record my presence at the **29th Annual General Meeting** of the Shareholders of **India Finsec Limited** held on **Monday, August 28, 2023 at 9:30 a.m.** at **D-16, First floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085.**

Note: Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise. Shareholders are also requested to bring their copy of annual report. As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting.

*Applicable for shareholders holding shares in electronic form.

.....

ELECTRONIC VOTING PARTICULARS

E VOTING EVENT NUMBER (EVEN)	USER ID	PASSWORD

Note: Please read the instructions printed under the Note to the Notice of 29th Annual General Meeting dated August 31, 2023 for e-voting process. The E-voting period starts from August 25, 2023 at 10:00 a.m., and will end on August 27, 2023 at 5:00 p.m. The voting module shall be disabled by CDSL for voting thereafter.



PROXY FORM
(Form No. MGT-11)

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

CIN: L65923DL1994PLC060827

Name of the Company: India Finsec Limited

Registered Office: D-16, First Floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085

Name of the member(s): Registered Address : Email ID: Folio No./Client ID : DP ID :

I/ We being the member(s) holding _____ shares of the **India Finsec Limited** hereby appoint:

1. Name : _____
 Address : _____
 Email ID : _____ Or failing him
2. Name : _____
 Address : _____
 Email ID : _____ Or failing him
3. Name : _____
 Address : _____
 Email ID : _____ Or failing him

Resolution No.	Resolution
Ordinary Business	
1.	To receive, consider and adopt the audited financial statement consisting of Balance Sheet for the year ended March 31, 2023 and the Statement of Profit and Loss, Cash Flow Statement for the year ended on March 31, 2023 along with the reports of the Board of Directors and the Auditors thereon.
2.	To re-appoint a Director in place of Mr. Mukesh Sharma, Director (DIN: 00274217), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
Special Business	
3.	Approval for Material Related Party Transactions
4.	Approval for Material Related Party Transactions
5.	To give loans or to give guarantees or to provide securities in connection with the loan made to any other body corporate or person or to make investments under section 186 of the Companies Act, 2013.



my/our proxy to attend and vote (on a poll) for me/us and on my/belief at the 29th Annual General Meeting of the Company to be held on **Monday, August 28, 2023 at 9:30 a.m. at D-16, First Floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085** and at any adjournment thereof in respect of such resolutions as are indicated below:

Signed this..... Day of.....2023

Signature of the member.....

Signature of the Proxy holder(s) (1)(2).....(3).....

Affix
Re. 1/-
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



**Nomination Form
(Form No. SH-13)**

[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]

To
India Finsec Limited
 CIN: L65923DL1994PLC060827
 Regd. Office: D-16, First Floor, Above ICICI Bank,
 Prashant Vihar, Sector-14, Rohini,
 New Delhi-110085

I/Wethe holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

<

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No	Distinctive No.

(2) PARTICULARS OF THE NOMINEE/S: —

- (a) Name: _____
- (b) Date of Birth: _____
- (c) Father’s/Mother’s/Spouse’s _____
- (d) Occupation: _____
- (e) Nationality: _____
- (f) Address: _____
- (g) E-mail Id: _____
- (h) Relationship with the security holder: _____

(3) IN CASE NOMINEE IS A MINOR—

- (a) Date of Birth: _____
- (b) Date of attaining maturity: _____
- (c) Name of Guardian: _____
- (d) Address of Guardian: _____

Name:

Address:

Name of the Security Holder (s)

Signature

Witness with name and address



**Cancellation or Variation of Nomination
(Form No. SH-14)**

[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]

To
India Finsec Limited
 CIN: L65923DL1994PLC060827
 Regd. Office: D-16, First Floor, Above ICICI Bank,
 Prashant Vihar, Sector-14, Rohini,
 New Delhi-110085

I/ We hereby cancel the nomination(s) made by me/us in favour of(name and address of the nominee) in respect of the below mentioned securities.

or

I/We hereby nominate the following person in place ofas nominee in respect of the below mentioned securities in whom shall vest all rights in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled/ varied)

Nature of securities	Folio No.	No. of securities	Certificate No	Distinctive No.

(2) PARTICULARS OF THE NEW NOMINEE: —

- (a) Name: _____
- (b) Date of Birth: _____
- (c) Father's/Mother's/Spouse's _____
- (d) Occupation: _____
- (e) Nationality: _____
- (f) Address: _____
- (g) E-mail Id: _____
- (h) Relationship with the security holder: _____

(3) IN CASE NOMINEE IS A MINOR—

- (a) Date of Birth: _____
- (b) Date of attaining maturity: _____
- (c) Name of Guardian: _____
- (d) Address of Guardian: _____

Signature
Name of the Security Holder (s)

Witness with name and address



ROUTE MAP TO THE VENUE OF 29TH ANNUAL GENERAL MEETING OF THE COMPANY

Venue of AGM- D-16, 1st Floor, Prashant Vihar, Rohini, Delhi-110085.



Map data ©2022 20 m