



Form No. MR-3

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH 2023
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 2023**

To,
The Members,
IDF FINANCIAL SERVICES PRIVATE LIMITED

(CIN: U67910KA1994PTC016476)

GIRIJA" H NO 31/1, PATALAMMA TEMPLE STREET
SOUTH END CIRCLE
BASAVANAGUDI BANGALORE
KARNATAKA-560004

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IDF FINANCIAL SERVICES PRIVATE LIMITED** having CIN U67910KA1994PTC016476 (hereinafter called "the Company").

Secretarial Audit was conducted for the period from 01st April 2022 to 31st March 2023, in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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 authorised representatives during the conduct of Secretarial Audit, and subject to letter annexed herewith, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31 March 2023 ("Audit Period"), complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place subject to the reporting made hereinafter:

I have examined the books, registers, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2023, according to the provisions of:

- 1) The Companies Act, 2013 (the Act) and the rules made thereunder;
- 2) RBI REGULATIONS Applicable to NBFC MFI - NON-DEPOSIT TAKING - NSI;
- 3) 'The Environment (Protection) Act, 1986
- 4) The Water (Prevention & Control of Pollution) Act, 1974
- 5) The Air (Prevention & Control of Pollution) Act, 1981





- 6) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,
- 7) Other Labour, employees and Industrial Laws to extent applicable to the Company.
- 8) As informed by the Company, no other law is applicable specifically to the Company.

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

- 1) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned.

I further report that The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors.

There are no changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that during the audit period the Company has received application for Transfer of Beneficial Interest and the same has been reported in MGT-6 in Compliance with the Applicable provisions of Section 89 of the Companies Act, 2013.

I further report that during the audit period the Company has issued and allotted 4200000 (Forty Two Lakhs), 9% cumulative optionally Convertible Preference shares.

Adarsha M.A.

CS Malali Ananthram Adarsha

ACS 61879 | CP No: 23994

UDIN: A061879E000745529

Date: 05th August 2023

Place: Bangalore



* This report is to be read with our letter of even date which is annexed as Annexure-1 and forms an integral part of this report.



ANNEXURE-1

To,
The Members,
IDF FINANCIAL SERVICES PRIVATE LIMITED
(CIN: U67910KA1994PTC016476)

GIRIJA" H NO 31/1, PATALAMMA TEMPLE STREET
SOUTH END CIRCLE
BASAVANAGUDI BANGALORE
KARNATAKA-560004.

My Secretarial Audit Report for Financial Year ended on 31 March 2023 of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility as the Auditor is to express the opinion on the compliance with the applicable laws and maintenance of Records based on Secretarial Audit conducted by us.
- The Secretarial Audit needs to be conducted in accordance with applicable Auditing Standards. These Standards require that the Auditor should comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.
- I have responsible to perform procedures to identify, assess and respond to the risks of material misstatement or non-compliance arising from the Company's failure appropriately to account for or disclose an event or transaction. However, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards.

Accordingly, we wish to state as under:

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I 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. I believe that the process and practices, I followed provide a reasonable basis for my opinion.





- 3) I have not verified the correctness and appropriateness of financial records and Books of Account of the company.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of event etc.
- 5) The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My 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

Adarsha M.A.



CS Malali Ananthram Adarsha
ACS 61879 | CP No: 23994
UDIN: A061879E000745529

Date: 05th August 2023

Place: Bangalore