



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IDF FINANCIAL SERVICES
PRIVATE LIMITED

1. Report on the Audit of financial statements

Opinion

We have audited the accompanying financial statements of IDF Financial Services Private Limited ('the Company'), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and 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 financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2023 and its profit and its cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit in accordance with the standards on Auditing (SAs) specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the 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.

3. Information other than the financial statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. Other information does not include the financial statements and our auditor's report thereon. Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. Reporting under this section is not applicable at the date of this auditor's report.

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4. Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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 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.

In preparing the financial statements, the Board of Director's 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative to do so.

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

5. Auditor's responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 Act, 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

6. Report on other legal and regulatory requirements

- i. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- ii. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of written representations received from the directors as on 31st March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.



- f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" issued under Clause (I) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").
- g) The provisions of section 197 read with Schedule V to the act are not applicable to the Company since the Company is not a public company and accordingly, reporting under section 197(16) is not applicable.
- 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 derivatives contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place: Bengaluru
Date: 14/06/2023

for CHETAN PADAKI & ASSOCIATES
CHARTERED ACCOUNTANTS

F.R.No. 011274S



CA CHETAN PADAKI

PARTNER

Mem.No.216929

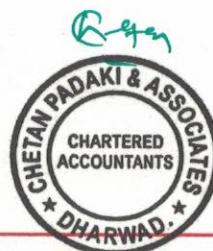
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"Annexure A" to the Independent Auditors' Report on Audit of the Financial statement.

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended 31st March, 2023:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
(c) The Company does not hold any immovable property. Accordingly, provisions of clause 3(i)(c) of the order are not applicable to the Company
2. The Company is a Non-Banking Financial Company, primarily engaged in business of lending activities directed to ultimate benefit of poor women and does not hold any inventories. Accordingly, provisions of clause 3(ii) of the Order are not applicable to the Company
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.
6. As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company. Accordingly, the provisions of clause 3 (vi) of the Order are not applicable to the Company.
7. (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2023 for a period of more than six months from the date on when they become payable.



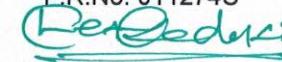
(b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan from the government and has not issued any debentures.
9. 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 (ix) of the Order are not applicable to the Company.
10. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
11. The provisions of section 197 of the Act read with Schedule V to the Act are not applicable to the Company since the Company is not a public company. Accordingly, the provisions of clause 3 (xi) of the Order are not applicable to the Company.
12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
15. 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 them covered under section 192 of the Act.
16. The company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

Place: Bengaluru
Date: 14/06/2023

for CHETAN PADAKI & ASSOCIATES
CHARTERED ACCOUNTANTS

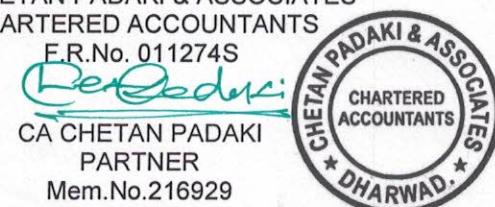
F.R.No. 011274S


CA CHETAN PADAKI

PARTNER

Mem.No.216929

UDIN: 23216929BGXTUJ8641



IDF FINANCIAL SERVICES PRIVATE LIMITED
No. 31/1, "Girija", Patalamma Temple Street, South end circle, Basavanagudi,
Bangalore- 560004

CIN No. U67910KA1994PTC016476

Tel: 080 26577714, e-Mail: finance@idf-finance.in; idf.finance@gmail.com, Website : www.idf-finance.in

Balance Sheet as at	Note no.	31-Mar-23	31-Mar-22
I. EQUITY AND LIABILITIES			
Share holder's fund			
(a) Share capital	2.01	27,30,37,150	23,10,37,150
(b) Reserves and surplus	2.02	10,56,36,509	6,99,02,825
		37,86,73,659	30,09,39,975
Non-Current liabilities			
(a) Financial Liabilities			
(i) Long-term borrowings	2.03	80,23,47,252	47,35,44,997
(b) Long-term provisions	2.06	3,86,86,157	4,24,94,521
		84,10,33,409	51,60,39,518
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(A) Short-term borrowings	2.04	5,37,86,160	7,20,30,716
(b) Other current liabilities	2.05	98,91,75,594	74,27,18,770
(c) Short-term provisions	2.06	14,04,025	1,18,00,000
		1,04,43,65,779	82,65,49,486
Total Equity and Liability		2,26,40,72,847	1,64,35,28,979
II. ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	2.07	42,70,724	14,36,939
(b) Deferred Tax Asset (net)	2.08	54,82,131	40,17,023
(c) Long Term Loans and Advances	2.09	43,53,83,069	37,67,64,347
(d) Other Non-Current Assets	2.11	18,07,00,720	13,74,90,178
(i) Security Deposits	2.12	3,69,27,712	2,09,50,000
		66,27,64,356	54,06,58,487
Current assets			
(a) Financial Assets			
(i) Short-term loans and advances	2.09	1,44,75,77,210	1,01,30,53,720
(ii) Cash and cash equivalents	2.10	14,22,46,062	6,73,36,404
(b) Other current assets	2.11	1,14,85,219	2,24,80,368
		1,60,13,08,491	1,10,28,70,492
Total Assets		2,26,40,72,847	1,64,35,28,979

Significant accounting policies and notes on accounts 1 & 2

The accompanying notes are an integral part of these financial statements

As per our report of even date
for CHETAN PADAKI & ASSOCIATES
CHARTERED ACCOUNTANTS

F.R.No. 011274S

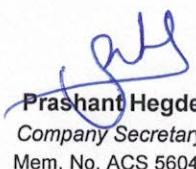

CA. CHETAN PADAKI

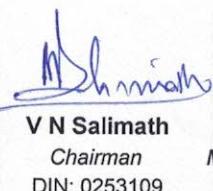
PARTNER

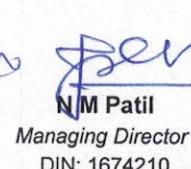
Mem.No.216929

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for and on behalf of IDF Financial Services Private Limited

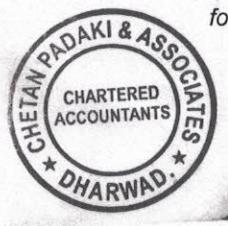

Prashant Hegde
Company Secretary
Mem. No. ACS 56041


V N Salimath
Chairman
DIN: 0253109


N M Patil
Managing Director
DIN: 1674210

Date : 14-06-2023

Place: Bengaluru



IDF FINANCIAL SERVICES PRIVATE LIMITED
No. 31/1, "Girija", Patalamma Temple Street, South end circle, Basavanagudi,
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CIN No. U67910KA1994PTC016476

Tel: 080 26577714, e-Mail: finance@idf-finance.in; idf.finance@gmail.com, Website : www.idf-finance.in

Statement of Profit and Loss for the year ended	Note no.	31-Mar-23	31-Mar-22
Income			(₹)
Revenue from operations	2.13	31,94,73,141	25,03,55,323
Other Income	2.14	7,07,92,939	4,40,92,089
Total Income		39,02,66,080	29,44,47,412
Expenses			
Employee benefits expense	2.15	8,87,97,751	6,95,19,347
Finance costs	2.16	18,12,81,637	13,71,07,918
Depreciation and amortization expenses	2.07	11,56,941	8,65,579
Provisions and write-offs	2.17	1,74,95,049	2,66,79,691
Other expenses	2.18	3,05,39,988	2,11,44,141
Total expenses		31,92,71,366	25,53,16,676
Profit before tax		7,09,94,714	3,91,30,736
Tax expenses:			
- Current tax		1,87,83,617	98,42,667
- Reversal of Income tax provision- prior years		-	-
- Deferred tax (credit) / charge		(14,65,108)	14,88,570
		1,73,18,509	1,13,31,237
Profit after tax		5,36,76,205	2,77,99,499

Earning per equity share (EPS) [refer note 3.04]

- Basic (face value of ₹10/- each)	4.96	2.57
- Diluted (face value of ₹10/-each)	1.97	1.21

Significant accounting policies and notes on accounts

1 & 2

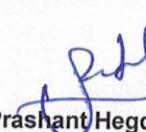
The accompanying notes are an integral part of these financial statements

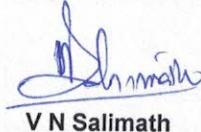


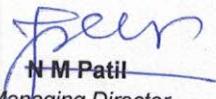
As per our report of even date
for CHETAN PADAKI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.No. 011274S

CA.CHETAN PADAKI
PARTNER
Mem.No.216929

for and on behalf of IDF Financial Services Private Limited


Prashant Hegde
Company Secretary
Mem. No. ACS 56041


V N Salimath
Chairman
DIN: 0253109


N M Patil
Managing Director
DIN: 1674210

Date : 14-06-2023
Place: Bengaluru

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CIN No. U67910KA1994PTC016476

Tel: 080 26577714, e-Mail: finance@idf-finance.in; idf.finance@gmail.com, Website : www.idf-finance.in

Cash flow statement for the year ended	31-Mar-23	31-Mar-22
Cash flow from operating activities		
Profit before tax	7,09,94,714	3,91,30,736
Add : Non cash expenditure / Non operating income		
Depreciation and amortisation expenses	11,56,941	8,65,579
Interest on term deposits	(1,42,22,859)	(1,09,87,769)
Loan provisions and write offs	(45,04,801)	
Dividend Received		(1,38,575)
Operating profit before working capital changes	<u>5,34,23,995</u>	<u>2,88,69,971</u>
Changes in working capital:		
(Decrease) / Increase in provisions	(1,42,04,339)	11,55,000
(Increase) / Decrease in Loans and advances	(49,31,42,212)	(8,72,40,465)
(Increase) / Decrease in other assets	(4,81,93,107)	2,50,84,461
(Decrease)/increase in other current liabilities	<u>24,64,56,824</u>	<u>6,09,25,455</u>
Cash generated from / (Used in) operating activities	<u>(25,56,58,839)</u>	<u>2,87,94,422</u>
Income tax paid (Net)	(1,87,83,617)	(98,42,667)
Net cash generated from / (Used in) operating activities	(A)	(27,44,42,456)
		1,89,51,755
Cash flows from investing activities		
Purchase of property, plant and equipment	(39,90,726)	(8,48,565)
Interest on term deposits	1,42,22,859	1,09,87,769
Purchase of Investments		
Sale of Investments		5,00,000
Dividend Received		1,38,575
Net cash flow from / (Used in) investing activities	(B)	1,02,32,133
		1,07,77,779
Cash flows from financing activities		
Proceeds from issue of Optionally Convertible 9% Cumulative Preference shares	4,20,00,000	-
Proceeds from Long-Term borrowings (Net)	32,88,02,255	(2,87,93,749)
Proceeds from Short-Term borrowings (Net)	(1,82,44,556)	2,19,20,464
Reversal from Bad Debt Reserve		(70,00,000)
Dividend Distribution tax paid		(8,53,263)
Dividend paid	(1,34,37,718)	(1,10,54,237)
Net cash flow from / (Used in) financing activities	(C)	33,91,19,981
		(2,57,80,785)
Net increase/(decrease) in cash and cash equivalents	(A)+(B)+(C)	7,49,09,658
Cash and cash equivalents at the beginning of the year		39,48,749
		6,73,36,404
		6,33,87,655
Cash and cash equivalents at the end of the year [Refer note 2.10]	14,22,46,062	6,73,36,404
Significant accounting policies and Notes on accounts	1 & 2	

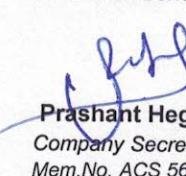


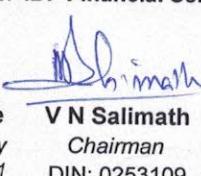
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for and on behalf of IDF Financial Services Private Limited


Prashant Hegde
Company Secretary
Mem.No. ACS 56041


V N Salimath
Chairman
DIN: 0253109


N M Patil
Managing Director
DIN: 1674210

IDF FINANCIAL SERVICES PRIVATE LIMITED
Significant accounting policies and notes on accounts

Company overview:

IDF Financial Services Private Limited [herein after 'the company'] is a private Limited Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 bearing CIN U67910KA1994PTC016476. The Company is engaged in micro finance activities directed to ultimate benefit of poor women [organized in the form of Self-help-groups] for enhancement of their livelihoods in a financially viable manner and provide financial support to these groups created through Community based Self Help Group Federations. The Company is registered with Reserve Bank of India (RBI) as a Non Banking Financial Company non-deposit taking Microfinance institution (NBFC - MFI) with Certificate of Registration No B-02.00164 issued by RBI dated 17th October 2013.

1) Significant accounting policies

1.01 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under section 133 of the Companies Act, 2013 ('the Act'), read together with rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and stipulated in the directions issued by Reserve Bank of India (RBI) to the extent applicable to the Company.

The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are in consistent with those of previous year. The Company is a Non-Banking Finance Company - Micro Finance Institutions (NBFC-MFI). The Company follows the prudential norms for income recognition, asset classification and provisioning as prescribed by the Reserve Bank of India for Non-Banking Finance Company - Micro Finance institution (NBFC-MFI).

1.02 Use of estimates

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Policies requires management to make certain estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of financial statements and reported amounts of revenue and expenses during the reported period. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from those estimates.

1.03 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue measured and collectibility is reasonably assured. In this financial statement revenue is recognised as explained below.

1.03.1 Interest income on loans disbursed is recognized on accrual basis as per effective interest rate method except in the case of Non-performing assets (NPA) where interest is recognized upon realisation, in accordance with Reserve Bank of India Directives applicable to Non Banking Finance Companies- Microfinance Institutions vide Master Circular - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016." For a loan account turning into NPA, interest already charged on accrual basis and not collected, is reversed.

1.03.2 Interest income on deposits with banks is recognized on time proportion accrual basis taking into the account, the amount outstanding and rate applicable.

1.03.3 Service charges on loans is recognised on receipt basis.

1.03.4 Dividend income is recognised when right to receive is established.

1.03.5 Amount received against previously written-off loans are recognised on receipt basis and classified under other operating revenue.

1.03.6 Income from business correspondent services is recognized as and when the services are rendered as per agreed terms and conditions of the contract.

1.04 Cash Flow Statement

The cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard 3. The Cash flow from operating, investing and financing activities of the Company are segregated based on available information.

Cash comprises of cash on hand and demand deposits with Banks. Cash equivalents are short term balances (with an obligation maturity of three month or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risks of changes in value.



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1.05 Property, Plant and Equipment and intangible assets

Property, Plant and Equipment:

All fixed assets have been stated at historical cost less accumulated depreciation and impairment loss, if any. Cost includes the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Intangible assets:

No such Assets are existing in the Company.

1.06 Depreciation and amortisation

Depreciation is provided pro-rata on the written down value method at the following stated rates based on the useful life specified under as per Part "C" of Schedule II of the Companies Act 2013:

Class of Fixed Assets	Useful Life (in years)	Rate of Depreciation
Furniture & fixtures	10	25.89%
Office equipment	5	45.07%
Computers	3	63.16%
Vehicles	8	31.23%

1.07 Borrowing costs

Borrowing cost includes interest and other costs incurred in connection with the arrangement of borrowings. All borrowing costs are expensed in the period they occur. The loan processing fees and other similar charges incurred at the time of origination of the loan are recognised over the period of the loan in the Statement of Profit and Loss.

1.08 Investments

Investment that are readily realisable and intended to be held for not more than one year from the date in which such investments are made are classified as current investments. All other investments are classified as non-current assets. Current investments are carried at lower of cost or fair value. Long term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long-term investments.

1.09 Operating leases

No such Operating Assets are existing in the Company

1.10 Asset classification

These are classified as standard assets and sub-standard assets in terms of Reserve Bank of India directions as laid down in "Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016".

1.11 Provision for Non- performing assets

Provision for non- performing assets has been made as per the norms stated in the Directions as laid down in Master Direction - Non-Banking Financial Company -Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 by Reserve Bank of India which are stated below:

Classification of Assets	Criteria for Classification	Provision %
		As per the prudential norms of RBI
Standard Assets	The assets in respect of which, no default in repayment of principal or payment of interest is perceived	0%
Non performing Assets	The loan instalments which are over due for more than 90 days but not more than 180 days.	50%
Non performing Assets	The aggregate loan instalments which are over due for more than 180 days.	100%

As per the RBI Guidelines the provisioning for Non-performing assets should be either 1% of total loan portfolio or as per the above rates whichever is higher.



Asset Classification	
Standard Assets	1,82,91,37,934
Non Performing Assets:	3,16,24,058
Sub-Standard	
91 days - 180 days	36,20,504
> 180 days	1,27,48,161
Loss Assets	
Misappropriated Accounts	
Gross Loan Portfolio	1,86,07,61,992
Provisioning Norms:	
Provisioning of Higher of:	
a) 1% of the outstanding loan portfolio	1,86,07,620
b) 50% of the aggregate loan instalments which are overdue for more than 90 days and less than 180 days and 100% of the aggregate loan instalments which are overdue for 180 days or more.	1,45,58,413
Actual Provisions already held	1,88,94,521
Additional Provision to be held during the current year	
Additional Provision held	2,86,901
Reversal of excess provisions held	
Total Provision at the end of the year ₹	1,88,94,521

Note: As per the Circular RBI/2019-20/220 Dt: 17/04/2020, an additional provisional for the standard assets in respect of all accounts classified as standard even though it is not overdue and expected to become NPA in upcoming period has been provided by the Company in addition to the above required provision. The provision required as per statutory norms of the RBI is 1% which amounts to ₹ 1,86,07,620/-.

1.12 Loans write-off policy

As per the loan write off policy, loans are written off when the management has exhausted all options for recovery of Principal and interest on the loan which are overdue.

1.13 Employee benefits

1.13.1 Provident fund: Provident Fund Contribution is accounted on actual liability basis and paid to the Government managed Employees' Provident Fund Organization. PF contribution from Employee and Employer is calculated on the basic salary of the Employee. The treatment for the Provident fund is given as per the Employees Provident Fund and Miscellaneous Provisions Act -1952.

1.13.2 Employees State Insurance : Employees State Insurance premium is paid as per the Act. ESI contribution from Employee and Employer is calculated on the basic salary of the Employee. The treatment for the ESI is given as per the Employees Employees State Insurance Act -1961.

1.13.3 Gratuity: This is a defined benefit plan. Gratuity liability is provided based on actuarial valuation using Projected Unit Credit Method. Actuarial Gains and Losses comprising of experience adjustments and the effects of changes in actuarial assumptions, are recognised immediately in the Profit and Loss Account as income or expenses.

1.14 Income Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. Provision for current tax is made based on the liability computed in accordance with the relevant tax rates and tax laws.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income originating during the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date.

Deferred tax liabilities are recognised for all the taxable timing differences. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.



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1.15 Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or 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.

1.16 Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date.

A disclosure of contingent liability is made, when there is a possible obligation or a present obligation that will probably not require outflow of resources or where reliable estimate of the obligation cannot be made.

1.17 Operating Cycle

Based on the nature of activities of the Company and normal time between acquisition of assets their realisation of and cash equivalent, the Company has determined operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current.

1.18 Segment information

The Company operates in a single reportable segment i.e. lending activity, which has similar risks and returns for the purpose of reporting under AS-17 'Segment Reporting'. The Company primarily operates in India and does not have any reportable geographical segment.

2) Notes on accounts

2.01 Share capital

		31-Mar-23	31-Mar-22
Authorized			
1,20,00,000 [Previous year: 1,50,00,000] Equity shares of ₹10/- each		12,00,00,000	15,00,00,000
1,80,00,000 [Previous year: 1,50,00,000] Preference shares of ₹10/- each		18,00,00,000	15,00,00,000
Issued, subscribed and paid-up		30,00,00,000	30,00,00,000
1,08,21,230 [Previous year: 1,08,21,230] Equity shares of ₹10/- each fully paid -up		10,82,12,300	10,82,12,300
72,32,485 [Previous year: 72,32,485] 9% Compulsorily Cumulative Convertible Preference shares of ₹10/- each fully paid-up		7,23,24,850	7,23,24,850
92,50,000 [Previous year: 50,50,000] 9% Cumulative Optionally Convertible Preference shares of ₹10/- each fully paid-up		9,25,00,000	5,05,00,000
		27,30,37,150	23,10,37,150

2.01.1 Reconciliation of shares

	31-Mar-23	31-Mar-23	31-Mar-22	31-Mar-22
	Number	Amount	Number	Amount
a) Equity shares				
Balance at the beginning of the year				
Add: issued during the year	1,08,21,230	10,82,12,300	1,08,21,230	10,82,12,300
Balance at the end of the year	1,08,21,230	10,82,12,300	1,08,21,230	10,82,12,300
b) Compulsorily Convertible 9% Cumulative Preference shares				
Balance at the beginning of the year				
Add: issued during the year	72,32,485	7,23,24,850	72,32,485	7,23,24,850
Balance at the end of the year	72,32,485	7,23,24,850	72,32,485	7,23,24,850
c) Optionally Convertible 9% Cumulative Preference shares				
Balance at the beginning of the year				
Add: issued during the year	50,50,000	5,05,00,000	50,50,000	5,05,00,000
Less: Redeemed during the year	42,00,000	4,20,00,000	-	-
Balance at the end of the year	92,50,000	9,25,00,000	50,50,000	5,05,00,000



2.01.2 Rights, preferences, restrictions of share capital

a) **Equity shares:** The Company has only one class of equity shares having a par value of ₹10/- per share. Each holder of equity share is entitled to one vote per share.

b) **Compulsorily Convertible 9% Cumulative Preference Shares [CCPS]:** All CCPS which are convertible into equity after the completion of tenure i.e 15/12/2027. Preference share holders are not entitled to any voting rights except where the rights of the preference share holders are proposed to be affected. In such event, preference share holders will have the same right as the equity share holders in the meeting of the share holders for the agenda of the meeting affecting their rights only. Shares are cumulative in nature.

c) **Optionally Convertible Preference Shares [OCPS]:** OCPS are convertible at the option of the investor. Option to be exercised not before three (3) years from the date of allotment. The total tenure of OCPS is Six (6) years

d) The amount of dividends proposed to be distributed to CCPS and OCPS shareholders for the period under audit is at the rate of 9% on the subscribed capital. Arrears of fixed cumulative dividends on preference shares are NIL.

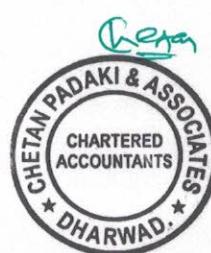
2.01.3 The details of shareholders as at Mar 31st, 2023 is set out below:

	31-Mar-23		31-Mar-22	
	No. of shares	%	No. of shares	%
Equity share capital				
IDF SHG Federation - Dharwad	63,02,167	58.24%	63,02,167	58.24%
IDF FSPL balaga welfare trust	9,02,147	8.34%	9,02,147	8.34%
Vivekanand. N. Salimath	6,50,833	6.01%	6,50,833	6.01%
Naganagouda M Patil	6,50,833	6.01%	6,50,833	6.01%
T V Srikantha Shenoy	6,23,875	5.77%	6,23,875	5.77%
Shrikant M Hebbal	6,23,875	5.77%	6,23,875	5.77%
Gururaj M Deshpande	7,01,173	6.48%	7,01,173	6.48%
Compulsorily Convertible 9% Preference share capital				
IDF SHG Federation - Dharwad	72,32,485	100%	72,32,485	100%
Optionally Convertible 9% Preference share capital				
IDF SHG Federation Dharwad	30,00,000	32.43%	30,00,000	59.41%
Swavalambana Trust	11,00,000	11.89%	6,00,000	11.88%

Shares held by promoters at the end of the year			% Change during the year
S. No.	Promoter Name	No of Shares	% of total shares
1	Vivekanand. N. Salimath	6,50,833	6.01%
2	Naganagouda M Patil	6,50,833	6.01%
3	T V Srikantha Shenoy	6,23,875	5.77%
4	Shrikant M Hebbal	6,23,875	5.77%
5	Gururaj M Deshpande	7,01,173	6.48%
Total		32,50,589	30.04%

2.02 Reserves and surplus

	31-Mar-23	31-Mar-22
Statutory reserve		
Opening balance	3,84,78,828	3,29,18,928
Additions during the year #	1,07,35,241	55,59,900
	4,92,14,069	3,84,78,828
General Reserve		
Opening balance	67,00,000	-
Transferred from Profit and Loss	1,75,00,000	67,00,000
	2,42,00,000	67,00,000
Other Reserves		
Bad Debt Reserve Fund		
Opening balance	50,00,000	-
Transferred from Profit and loss account	-	50,00,000
Less: Utilized D/Y	(45,04,803)	-
	4,95,197	50,00,000



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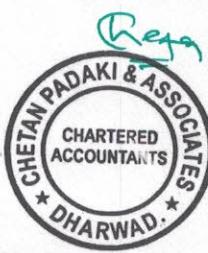
Securities premium account		
Opening balance	7,76,700	7,76,700
Additions during the year		
	7,76,700	7,76,700
	2,54,71,897	1,24,76,700
Surplus in the statement of Profit and Loss		
Opening balance	1,89,47,297	1,46,15,199
Add: Profit/(loss) for the year	5,36,76,205	2,77,99,498
Less: Transferred to statutory reserve#	(1,07,35,241)	(55,59,900)
Less: Transferred to General reserve	(1,75,00,000)	(10,00,000)
Less: Transferred to Bad Debt Reserve Fund	-	(50,00,000)
Less: Dividend Paid	(1,34,37,718)	(1,10,54,237)
Less: Dividend tax paid	-	(8,53,263)
	3,09,50,543	1,89,47,297
	10,56,36,509	6,99,02,825

Statutory Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). In terms of Section 45-IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20 per cent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI.

2.03 Long Term Borrowings

31-Mar-23 31-Mar-22

Secured		
- From banks		
Canara Bank	4,24,91,456	10,15,54,537
State Bank of India	22,21,73,094	19,99,94,401
Union Bank of India	12,38,42,287	13,15,63,642
Karnataka Vikas Grameen Bank	6,15,56,803	3,45,83,578
UCO Bank	7,17,49,275	4,99,88,810
IDFC First Bank	11,10,11,900	9,72,20,705
Karnataka Grameen Bank	11,23,93,245	4,56,43,630
Jana Small Finance Bank	14,82,92,527	13,72,68,566
ESAF Small Finance Bank	12,15,00,000	4,89,96,899
Bank of Baroda	1,65,28,655	3,60,29,753
Bank of Maharashtra	2,71,82,799	7,11,46,667
Dhanlaxmi Bank	7,56,93,341	2,99,99,772
South Indian Bank	5,41,89,766	-
IOB	7,24,98,835	-
	1,26,11,03,983	98,39,90,960
-From Financial Institutions/NBFC		
Nabkisan Finance Ltd	6,04,09,641	4,13,91,248
Nabsamruddhi Finance Limited	10,19,33,859	2,66,65,776
Maanaveeya Development&Fin. Pvt Ltd	13,33,32,000	-
Profectus Capital Private Limited	2,60,17,033	-
Habitat Microbuild India Private Limited	4,00,00,000	96,12,376
Small Industries Development Bank of India	9,21,50,000	13,60,00,000
FRIENDS OF WWB	1,47,82,609	-
MANAPPURAM FINANCE	5,00,00,000	-
	51,86,25,142	21,36,69,400
	1,77,97,29,125	1,19,76,60,360
Less: Current Maturities of Long Term Borrowings (refer note no 2.06)		
- From banks	74,79,01,496	58,66,36,321
- From Financial Institutions/NBFC	22,94,80,377	13,74,79,042
	97,73,81,873	72,41,15,363
Unsecured Loan from Financial institutions		
MAANAVEEYA SUB-DEBT	5,00,00,000	-
Long term borrowings	80,23,47,252	47,35,44,997



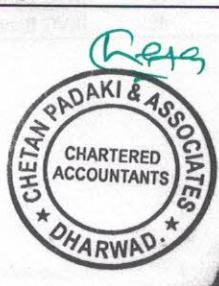
IDF FINANCIAL SERVICES PRIVATE LIMITED
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Note

i) Term loans availed from banks and financial institutions are fully secured by way of hypothecation of book debts. Term loans are repayable on monthly or quarterly basis depending on the respective loan arrangements. During the year, company has not defaulted in the repayment of dues to its lenders. All borrowings from banks and financial institutions and proceeds of securities issued are utilised for the specific purpose for which it was taken.

ii) Terms of repayments and Loans Gauranteed by Directors are as follows:-

Name	Rate of Interest %	Date of Maturity	Sanction Amount	Tenure	Personal Guarantee
Bank of Baroda	10.55	30-09-24	5,00,00,000	36 EMI	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinkantha Shenoy
Bank of Maharashtra	10.80	30-04-24	10,00,00,000	12 Quarterly Instalments	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinkantha Shenoy
Canara Bank	9.35	30-09-24	10,00,00,000	36 EMI	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinkantha Shenoy
Dhanlaxmi Bank Ltd	10.00	28-02-25	5,00,00,000	12 Quarterly Instalments	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinkantha Shenoy
	12.00	27-03-26	4,00,00,000		
ESAF Small Finance Bank	13.90	31-01-24	5,00,00,000	24 EMIs	1. Vivekanand M Salimath
ESAF Small Finance Bank	14.50	31-01-25	10,00,00,000	24 EMIs	2. Naganagouda M Patil 3. T V Srinkantha Shenoy
Friends of WWB, India	15.50	31-03-25	2,00,00,000	24 EMIs	-
Habitat Micro Build India Housing Pvt Ltd	14.50	02-04-25	4,00,00,000	24 EMIs	1. Vivekanand M Salimath 2. T V Srinkantha Shenoy
IDFC First Bank	12.00	31-05-23	5,00,00,000	24 EMIs	1. Vivekanand M Salimath
	12.50	22-07-24	10,00,00,000	24 EMIs	2. Naganagouda M Patil
	12.50	31-10-24	5,00,00,000	24 EMIs	3. T V Srinkantha Shenoy
Indian Overseas Bank	12.75	31-10-25	8,00,00,000	36 EMIs	1. Vivekanand N Salimath 2. T V Srinkantha Shenoy 3. Naganagouda M Patil
Jana Small Finance Bank	14.00	31-03-24	14,00,00,000	36 EMIs	1. Vivekanand M Salimath
Jana Small Finance Bank	14.00	31-07-24	5,00,00,000	36 EMIs	2. Naganagouda M Patil
Jana Small Finance Bank	13.50	03-10-24	9,50,00,000	24 EMIs	3. T V Srinkantha Shenoy
Karnataka Gramin Bank	12.50	24-03-24	5,00,00,000	36 EMIs	1. Vivekanand M Salimath
	12.50	27-03-26	10,00,00,000	36 EMIs	2. Naganagouda M Patil
					3. T V Srinkantha Shenoy
Karnataka Vikas Grameena Bar	12.50	21-02-24	4,00,00,000	36 EMIs	1. Vivekanand M Salimath
	12.50	31-03-26	10,00,00,000	36 EMIs	2. Naganagouda M Patil
					3. T V Srinkantha Shenoy
Maanaveeya Development & Finance Pvt Ltd	14.75	17-12-25	10,00,00,000	24 EMIs	1. Vivekanand N Salimath
Maanaveeya Development & Finance Pvt Ltd	17.50	08-01-27	5,00,00,000	5 years (2 Instalments)	2. T V Srinkantha Shenoy 3. Naganagouda M Patil
Manappuram Finance Ltd	14.25	31-03-25	5,00,00,000	24 EMIs	1. Vivekanand N Salimath 2. T V Srinkantha Shenoy 3. Naganagouda M Patil
Nabkisan Finance Ltd	13.50	31-05-23	10,00,00,000	12 quarterly instalments	-
Nabkisan Finance Ltd	12.50	31-07-25	7,00,00,000	36 EMIs	1. Vivekanand N Salimath 2. T V Srinkantha Shenoy 3. Naganagouda M Patil
Nabsamrudhhi Finance Ltd	13.75	30-11-23	5,00,00,000	36 EMIs	1. Vivekanand N Salimath
Nabsamrudhhi Finance Ltd	14.10	31-12-25	10,00,00,000	36 EMIs	2. T V Srinkantha Shenoy 3. Naganagouda M Patil
Profectus Capital Pvt Ltd	14.50	31-03-24	3,50,00,000	18 EMIs	1. Vivekanand N Salimath 2. Naganagouda M Patil

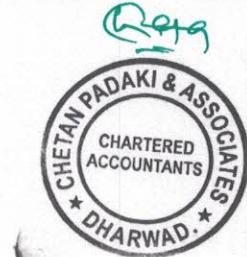


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Small Industries Development	9.90	10-03-25	8,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
Bank of India	13.00	10-04-25	4,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
Small Industries Development	12.30	27-11-23	15,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
State Bank of India	9.00	31-03-25	25,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
South Indian Bank	10.40	31-07-25	7,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
UCO Bank	9.45	31-03-26	10,00,00,000	16 equally quarter instalments	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
Union Bank of India	10.30	30-09-23	10,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
Union Bank of India	9.55	31-10-24	10,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy
Union Bank of India	10.30	31-08-25	7,00,00,000	36 EMIs	1. Vivekanand M Salimath 2. Naganagouda M Patil 3. T V Srinantha Shenoy

iii) Fixed Deposit Encumbered Details

Sl. No	Name of the Bank	Date of opening	Date of Maturity	ROI	Encumbered	Unencumbered	
1	SBI Bengaluru	29.12.2020	29.12.2023	5.3	82,69,375		SBI TL
2	SBI Bengaluru	23.04.2021	23.04.2024	5.3	7,24,208		SBI OD
3	SBI Bengaluru	23.03.2022	23.03.2024	5.3	1,33,68,756		
4	HABITAT	24.02.2023	24.03.2024	5	20,00,000		Habitat
5	Bank of India	19.02.2021	19.02.2024	5	10,90,307		BoI OD
6	Bank of Baroda	09.09.2021	09.09.2024		26,84,869		BoB TL
7	Bank of Maharashtra	21.04.2021	21.04.2024	5.30	55,29,992	-	Bank of M
8	Canara Bank Dharwad	25.02.2023	02.09.2024	4.25		31,48,454	
9	Canara Bank Dharwad	21.03.2023	21.03.2024		15,70,059		Canara B TL
10	Canara Bank Dharwad	21.12.2022	20.01.2026	4.9	53,45,451		NABSAMRUDHI
11	Canara Bank Dharwad	21.07.2022	21.07.2024	5.1	24,62,810		
12	Canara Bank Dharwad	06.10.2021	16.10.2024	5.2		17,66,110	
13	Canara Bank Dharwad	26.03.2021	26.09.2023	5.2		15,20,156	
14	Canara Bank Dharwad	13.12.2022	23.06.2023	5.25	15,23,805		
15	Canara Bank Dharwad	16.10.2022	26.10.2024	6.2		15,54,914	
16	Canara Bank Dharwad	05.11.2022	15.11.2023	5.35	15,51,405		
17	Canara Bank Dharwad	10.10.2021	18.04.2023	5.25		16,17,371	
18	Canara Bank Dharwad	17.01.2022	17.01.2024	5.4		15,23,020	
19	Canara Bank Dharwad	17.01.2022	17.01.2024	4.45		15,23,020	
20	Canara Bank Dharwad	17.01.2022	17.01.2024	5.25		15,23,020	
21	Canara Bank Dharwad	17.01.2022	17.01.2024	5.1		15,23,020	
22	Canara Bank Dharwad	14.01.2022	23.07.2023	5.1	65,53,648		Canara TL-964
23	Canara Bank Dharwad	28.10.2020	28.10.2023	5.1	56,25,839		NABSAMRUDHI
24	Canara Bank Dharwad	08.06.2022	08.06.2023	5.1	15,71,441		
25	Syndicate B Dharwad	01.10.2022	01.10.2023	5.1		40,60,518	
26	Syndicate B Dharwad	27.03.2022	27.03.2024	5.1		21,12,935	
27	Syndicate B Dharwad	09.05.2022	09.05.2023	5.1		19,70,085	
28	Syndicate B Dharwad	12.08.2022	12.08.2023	5.35	39,07,233		Syndicate B OD
29	ESAF Small Bank	26.09.2022	26.09.2023	5.2	10,58,737		
30	ESAF Small Bank	26.12.2022	26.12.2023	5.1	20,90,483		
31	ESAF Small Bank	26.01.2023	26.01.2024	5.2	20,77,102		
32	ESAF Small Bank	17.01.2023	17.01.2024	5.2	50,65,000		
33	KVG Bank Dharwad	31.12.2022	31.12.2023	5.1		8,91,270	
34	KVG Bank Dharwad	05.01.2023	05.01.2024			8,30,958	
35	KVG Bank Dharwad	30.04.2022	30.04.2023			8,55,605	
36	KVG Bank Dharwad	15.05.2022	15.05.2023			8,50,927	
37	KVG Bank Dharwad	05.06.2022	05.06.2023	5.5		8,51,698	
38	KVG Bank Dharwad	02.07.2022	02.07.2023	5.5		8,51,623	
39	KVG Bank Dharwad	27.04.2022	27.06.2025	5.5		60,23,357	
40	KVG Bank Dharwad	28.03.2022	28.03.2025	5.5		59,63,547	



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2.05 Other current liabilities	31-Mar-23	31-Mar-22
Current Maturities of long-term borrowings [refer Note 2.03]	97,73,81,873	72,41,15,363
Interest accrued but not due on borrowings	42,74,395	37,84,076
Statutory Liabilities	23,32,556	36,69,131
Gratuity present value of obligation [refer note 3.05 below]	3,60,747	-
Statutory Audit Fees Payable	2,70,000	2,70,000
BC Loans collection A/c	1,14,972	88,843
Other Payables *	44,41,051	1,07,91,357
	98,91,75,594	74,27,18,770

* Other payables include Suspense in the Nature of payables, Incentives Payable, Bonus Payable, Sudry payables and Insurance payable.

2.06 Long-term / Short-term Provisions

	31-Mar-23		31-Mar-22	
	Long-Term	Short-Term	Long-Term	Short-Term
Provision for non-performing assets	1,88,94,521	-	1,88,94,521	-
Provision on loans-Covid-19	-	-	-	1,00,00,000
Provision for Contingent Expenses	-	14,04,025	-	18,00,000
Provision for Taxation	1,97,91,636	-	2,36,00,000	-
	3,86,86,157	14,04,025	4,24,94,521	1,18,00,000

Note:

01) The board of directors in meeting held dated 16th December 2019 has accorded to replace cash handling insurance and fidelity insurance with contingency fund. Hence the provision for contingent expenses has been made. Accordingly, the company had made a provision on estimated basis based on annual premium.

2.08 Deferred Tax Asset (net)

	31-Mar-23	31-Mar-22
Deferred tax asset arising on:		
Opening Balance	40,17,023	55,05,593
Depreciation and amortisation	5,65,850	-
	45,82,873	55,05,593
Deferred tax liability arising on:		
Provision on borrowing charges	-	-
Prepaid Processing Charges	(8,99,258)	14,88,570
Deferred tax Asset / (Liability) (net)	54,82,131	40,17,023

2.09 Long-term / Short-term Loans and advances

	31-Mar-23					31-Mar-22	
	Non-current	Current	Non-current	Current	Total		
Secured							
Considered good	40,54,50,564	1,42,36,87,370	34,81,03,166	99,96,04,679			
Considered doubtful	77,34,218	2,38,89,840	46,49,762	1,34,49,041			
	41,31,84,782	1,44,75,77,210	35,27,52,928	1,01,30,53,720			
Unsecured, considered good							
Rent Advance	25,64,500	-	22,58,000	-			
TDS Receivables	46,33,787	-	29,99,419	-			
Advance tax	1,50,00,000	-	1,87,54,000	-			
	2,21,98,287	-	2,40,11,419	-			
	43,53,83,069	1,44,75,77,210	37,67,64,347	1,01,30,53,720			

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 Month	6 Months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables- Considered good	-	-	-	-	-	-
(ii) Undisputed Trade receivables- Considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade receivables- Considered good	-	-	-	-	-	-
(iv) Disputed Trade receivables- Considered doubtful	-	-	-	-	-	-



41	KVG Bank Dharwad	29.03.2022	29.03.2024	5.5	11,84,998		KVGBank TL 639
42	KVG Bank Dharwad	27.12.2022	27.12.2025	5.5		59,21,891	
43	KVG Bank Dharwad	01.06.2022	01.06.2023	5.5	18,93,764		NABKISAN
44	KVG Bank Dharwad	11.03.2023	11.03.2024	6.5	19,56,536		NABKISAN
45	KVG Bank Dharwad	11.03.2023	11.03.2024	5.8	19,56,536		NABKISAN
46	KVG Bank Dharwad	11.03.2023	11.03.2024	6.25	19,56,536		NABKISAN
47	KVG Bank Dharwad	11.03.2023	11.03.2024	4.5	19,56,536		NABKISAN
48	KVG Bank Dharwad	11.03.2023	11.03.2024	5.5	19,54,189		NABKISAN
49	KVG Bank Dharwad	01.03.2023	01.03.2024	5.5	33,11,112		KVGBank TL 639
50	KVG Bank Dharwad	15.03.2023	30.03.2026	5.5	30,05,875		KVGBank TL
51	KVG Bank Dharwad	15.03.2023	30.03.2026	5.5	35,06,854		
52	KVG Bank Dharwad	15.03.2023	30.03.2026	5.5	35,06,854		
53	IOB Dharwad	17.11.2022	16.11.2023	5.5	5,26,500		IOB OD
54	IOB Dharwad	16.11.2022	16.11.2025	5.5	80,71,110		IOB TL
55	Union Bank Bengaluru	23.12.2022	23.12.2023	5.5	73,65,371		Union Bank
56	Union Bank Bengaluru	29.09.2022	29.09.2023	5.5	56,18,624		Union Bank
57	Union Bank Bengaluru	29.09.2022	29.09.2023	5.25	56,18,624		Union Bank
58	Union Bank Bengaluru	30.09.2021	01.10.2024	5.25	53,76,705		Union Bank
59	Union Bank Bengaluru	02.07.2022	02.10.2025	5.5	36,86,679		NABKISAN
60	UCOBANK	13.06.2022	13.09.2025	5.5	62,95,995		
61	UCOBANK	29.06.2022	29.06.2023	5.5	61,09,986		
62	Karnataka Grameen B	24.03.2021	23.03.2024	5.5	55,28,162		Karnataka Grameen Bank
63	Karnataka Grameen B	30.03.2023	30.03.2026	5.5	25,00,414		
64	Karnataka Grameen B	30.03.2023	30.03.2026	5.5	25,00,414		
65	Karnataka Grameen B	30.03.2023	30.03.2026	6.75	25,00,414		
66	Karnataka Grameen B	30.03.2023	30.03.2026	5.55	25,00,414		
67	JANA Finance FLDG	12.11.2022	12.12.2023	7.5	11,67,585		JANA BC
68	JANA Finance FLDG	08.02.2023	27.02.2025	7	42,62,320		JANA TL
69	JANA Finance FLDG	30.03.2021	19.04.2023	7	28,80,949		JANA BC
70	JANA Finance FLDG	09.10.2021	09.10.2023	7	95,13,634		JANA BC
71	JANA Finance FLDG	11.02.2022	12.03.2024	7	34,96,800		JANA BC
72	JANA Finance FLDG	30.06.2022	03.08.2024	7	23,62,532		BC model
73	JANA Finance FLDG	15.10.2022	14.10.2024		20,31,250		
74	JANA Finance FLDG	23.12.2022	22.12.2024		4,03,750		
75	JANA SFB	16.03.2023	06.04.2023			5,00,00,000	
76	JANA SFB	31.03.2023	18.04.2023			3,00,00,000	
77	Yes Bank FD	07.07.2022	07.07.2023			5,15,238	Yes Bank
78	Dhanalaxmi Bank	24.02.2022	25.02.2025		26,45,400		Dhanalaxmi B
79	Dhanalaxmi Bank	17.03.2023	17.03.2026		40,08,400		Dhanalaxmi B
80	SIDBI	29.04.2022	29.04.2025		42,44,366		SIDBI TL
81	South Indian Bank	28.07.2022	28.07.2025	5.75	73,42,832		South Indian B
82	IDBI FLDG, BNG	08.09.2022	08.09.2025		5,05,593		IDBI
83	IDBI FLDG, BNG	28.10.2022	02.11.2024		15,11,980		IDBI
84	IDBI FLDG, Dharwad	16.01.2023	16.07.2025		25,11,979		IDBI
85	IDBI FLDG, Dharwad	03.03.2023	26.03.2025		25,04,340		IDBI
86	Profectus Security dep	29.09.2022	27.03.2024		17,50,000		Profectus
					21,76,03,432	12,73,98,738	

2.04 Short Term Borrowings

From Banks- Secured

Cash credit #

5,37,86,160 7,20,30,716

5,37,86,160 7,20,30,716

GRAND TOTAL BORROWINGS

1,83,35,15,285 1,26,96,91,076

Sanctioned limit of Rs. 10 Crores Renewal in 1 year are fully secured by way of hypothecation of book debts. Rate of interest:1 year MCLR+3.35%, 12-12.5% at present.



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2.10 Cash and cash equivalents

	31-Mar-23	31-Mar-22
Balances with banks		
- in current accounts	1,35,94,016	2,31,05,718
- in deposit account	12,73,98,738	4,31,14,049
- in Cash Credit account (Debit balance)	11,57,276	8,98,144
Other bank balances		
Deposits (Encumbered) with maturity more than 12 Months*	18,07,00,720	13,74,90,178
Less: Amounts disclosed as other non-current assets (refer note 2.11)	(18,07,00,720)	(13,74,90,178)
Stamps on hand	6,910	-
Cash on hand	89,122	2,18,493
	14,22,46,062	6,73,36,404

*Note: Deposits encumbered held as margin against Term loans from Banks and Financial Institutions

2.11 Other Non-Current / Current Assets

	31-Mar-23	31-Mar-22		
	Non-current	Current	Non-current	Current
Interest Receivable on Investments	-	-	-	73,18,573
Deposits-maturity more than 12 Months(refer note 2.10)	18,07,00,720	-	13,74,90,178	-
GST Receivable	-	6,28,848	-	51,47,538
Other receivables	-	1,31,222	-	83,010
Pre Paid Consultation Fees	-	-	-	1,11,111
Pre Paid Processing Charges	-	61,82,261	-	53,41,492
Gratuity plan asset	-	-	-	5,75,742
JANA-BC Commission Receivable on recovery	-	26,72,963	-	33,62,228
JANA-BC 1% Processing fees receivable on DB	-	5,37,472	-	5,40,674
IDBI-BC COMMISSION RECEIVABLE ON RECOVERY	-	13,32,453	-	-
	18,07,00,720	1,14,85,219	13,74,90,178	2,24,80,368

2.12 Security Deposits

	31-Mar-23	31-Mar-22
Security Deposits	25,000	25,000
Security Deposits with HABITAT	20,00,000	15,00,000
SECURITY DEPOSIT WITH PROFECTUS	17,50,000	-
IDBI FLDG	70,33,892	-
Security Deposits with JANA SFB FLDG	2,61,18,820	1,94,25,000
	2,69,27,712	2,09,50,000

2.13 Revenue from operations

	31-Mar-23	31-Mar-22
Interest Income	30,33,94,301	24,10,18,083
Processing charges on loans	1,60,78,840	93,37,240
	31,94,73,141	25,03,55,323

2.14 Other income

	31-Mar-23	31-Mar-22
Interest on term deposits	1,42,22,859	1,09,87,769
Dividend income	-	1,38,575
Recovery against loans written off	10,65,691	2,09,559
Miscellaneous	26,964	1,80,826
BC Income	5,54,77,425	3,25,75,360
	7,07,92,939	4,40,92,089

2.15 Employee benefit expenses

	31-Mar-23	31-Mar-22
Salaries, wages and bonus	8,46,12,222	6,59,40,567
Contributions to provident and other funds	31,45,814	29,73,771
Gratuity	10,06,609	5,72,806
Staff welfare and training expenses	33,106	32,203
	8,87,97,751	6,95,19,347



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2.16 Finance costs

	31-Mar-23	31-Mar-22
Interest on borrowings	16,63,63,257	11,62,33,518
Bank charges	35,24,833	28,82,735
Processing Charges on Assigned Portfolio	-	24,79,097
Other Finance costs		
Loan processing fee on borrowings	94,61,731	1,27,22,976
Documentation and evaluation expenses	11,60,705	20,64,592
Loan Consultation Fees	7,71,111	7,25,000
	18,12,81,637	13,71,07,918

2.17 Provisions and write-offs

	31-Mar-23	31-Mar-22
Loans written-off	1,74,95,049	2,66,79,691
	1,74,95,049	2,66,79,691

2.18 Other operating expenses

	31-Mar-23	31-Mar-22
Rent (refer Note 3.09)	65,90,281	65,12,204
Travelling and conveyance	38,80,656	21,14,620
Communication Expenses	6,68,042	8,50,312
Office maintenance	25,66,270	20,27,203
Printing & stationary	20,30,818	10,23,818
Insurance	17,31,409	11,58,428
Remuneration to auditors (refer Note 2.19 below)	2,50,000	2,50,000
Concurrent Audit Fees	8,20,000	7,93,500
Repairs and maintenance	13,48,717	9,79,657
Meeting Expenses	3,55,974	1,92,228
Subscription Fees	2,01,820	4,13,950
Credit Burea Expenses	4,07,142	1,84,550
Legal Fees	1,00,000	16,500
Rates & Taxes	82,642	15,500
Miscellaneous Expenses	1,61,242	1,02,676
Other Consultancy /Professional Fees	63,04,309	45,08,995
GST Paid	30,40,666	-
	3,05,39,988	2,11,44,141

2.19 Auditor's Remunerations

	31-Mar-23	31-Mar-22
Statutory audit	2,50,000	2,50,000
	2,50,000	2,50,000

3) Supplementary information

3.01 Contingent liabilities and commitments

	31-Mar-23	31-Mar-22
Contingent liabilities- Compulsorily cumulative convertible preference shares dividend*	65,09,237	65,09,237
Commitments	Nil	Nil
<i>*Working Note:</i>		
Compulsorily Convertible 9% Cumulative Preference shares	65,09,237	65,09,237
Compulsorily Convertible 9% Cumulative Preference shares	-	-
Optionally Convertible 9% Cumulative Preference shares	-	-
	65,09,237	65,09,237

The company has declared and paid the dividend of ₹ 65,09,241/- on CCPS for the year 2021-22 and ₹ 69,28,477/- on OCPS as interim dividend for the year 2022-23.

3.02 Micro and Small enterprises

Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

There are no Micro, Small and Medium Enterprises, to which the company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The above information regarding Micro, Small and Medium Enterprises has been determined as nil to the extent of such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditor.



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b) Compulsorily Convertible 9% Cumulative Preference Shares [CCPS]: All CCPS which are convertible into equity after the completion of tenure i.e 15/12/2027. Preference share holders are not entitled to any voting rights except where the rights of the preference share holders are proposed to be affected. In such event, preference share holders will have the same right as the equity share holders in the meeting of the share holders for the agenda of the meeting affecting their rights only. Shares are cumulative in nature.

3.05 Gratuity (As per AS 15, Employee Benefits)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service entitled to a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy. Under this policy the eligible employees are entitled to receive gratuity payments upon their resignation or death in lump sum after deduction of necessary taxes over and above a maximum limit of ₹ 20,00,000. The following tables summaries the components of net benefit expense recognized in the Statement of Profit and Loss Account and the funded status and amounts recognized in the Balance Sheet. The figures are as per the actuarial valuation report on gratuity issued by Saket Singhal (Acturial Fellow Membership No. 175).

Expense recognised in the statement of Profit and Loss Account

	31-Mar-23	31-Mar-22
Current service cost	10,64,676	7,78,603
Past service cost	3,80,805	3,35,368
Interest cost	(4,23,290)	(4,21,509)
Net actuarial (gain) / loss recognized in the year	(85,694)	(17,877)
Expenses recognisable in statement of Profit and Loss Account	<u>9,36,497</u>	<u>6,74,585</u>

The amount to be recognised in the Balance Sheet

	31-Mar-23	31-Mar-22
Present value of obligation at the end of the period	63,30,416	51,59,899
Fair value of plan assets as at the end of the period	59,69,669	57,35,641
Interest on fund	(3,60,747)	5,75,742
Funded status / Difference	-	-
Excess of actual over estimated	-	-
Unrecognised actuarial (gains) / losses	-	-
Net asset / (liability) recognisable in the balance sheet	<u>(3,60,747)</u>	<u>5,75,742</u>
Benefits paid(Caim settled)	-	-
Changes in present value of obligation	-	-

	31-Mar-23	31-Mar-22
Present value of obligation at the begining of the period	51,59,899	44,71,569
Acquisition adjustment	3,80,801	3,35,368
Interest cost	10,64,676	7,78,603
Current service cost	-	-
Past service cost	(1,59,727)	-
Benefits paid	(1,15,233)	(4,25,641)
Actuarial (gain) / loss on obligation	<u>63,30,416</u>	<u>51,59,899</u>
Present value of obligation at the end of the period	-	-

Changes in the fair value of plan assets

	31-Mar-23	31-Mar-22
Fair value of plan assets at the begining of the period	57,35,641	56,20,117
Acquisition adjustment	-	-
Expected return on plan assets	4,23,290	4,21,509
Contributions	4	1,01,779
LIC charges	-	-
Benefits paid	(1,59,727)	-
Actuarial (gain) / loss on plan assets	(29,539)	(4,07,764)
Fair value of plan assets at the end of the period	<u>59,69,669</u>	<u>57,35,641</u>

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3.03.1 Capital to Risk-Assets Ratio [CRAR] (₹)

	31-Mar-23	31-Mar-22
Tier I Capital	28,13,28,538	25,04,39,975
Tier II Capital	14,25,00,000	5,05,00,000
Total	42,38,28,538	30,09,39,975
Total Risk weighted assets		
(i) Adjusted value of funded risk assets i.e. on-balance sheet items	1,91,66,47,157	1,41,69,48,978
(ii) Adjusted value of non-funded and off-balance sheet items	-	-
Total risk weighted assets/ exposures	1,91,66,47,157	1,41,69,48,978

Capital to Risk-Assets Ratio [CRAR]

Tier I Capital as a percentage of Total Risk weighted assets (%)	14.68%	17.67%
Tier II Capital as a percentage of total Risk weighted assets (%)	7.43%	3.56%
CRAR (%)	22.11%	21.24%

3.03.2 Loans classification as per RBI

The loan portfolio has been classified as per the norms prescribed for classification by Reserve Bank of India in "Master Direction - Non-Banking Financial Company –Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016". The necessary provisions as per RBI norms have been made. The details are shown below:

Asset classification	Loan outstanding				Provision	
	31-Mar-23		31-Mar-22		As on 31st Mar 2023	As on 31-March 2022
	No. of account	Amount	No. of accounts	Amount	Amount	Amount
Standard assets	59,913	1,82,91,37,934	49,246	1,34,77,07,845	-	-
Non Performing assets	1,295	3,16,24,058	667	1,80,98,803	1,88,94,521	2,88,94,521
Total	61,208	1,86,07,61,992	49,913	1,36,58,06,648	1,88,94,521	2,88,94,521
Jana B C	18,310	65,13,60,187	14,592	54,20,17,380	-	-
IDBI BC	2,641	12,54,19,159	-	-	-	-
Total	82,159	2,63,75,41,338	64,505	1,90,78,24,028	-	-

These are classified as standard assets and Non performing assets in terms of Reserve Bank of India directions as laid down in Master Direction DNBR.PD.007/03.10.119/2016-17

The Non performing assets is 1.70% for the period ending 31st Mar 2023 as compared to 1.33% of total loan portfolio for the year ending 31st March 2022.

3.03.3 Qualifying Assets

As of 31st March 2023 94.14% of net assets of (Total assets excluding cash balance with Banks and financial institutions, Government Securities and Money Market Instruments) are in the nature of "Qualifying Assets" as defined in Master Direction DNBR.PD.007/03.10.119/2016-17.

3.04 Earnings per share

Reconciliation of basic and diluted shares used in computation of earnings per share

	31-Mar-23	31-Mar-22
Net profit as per Statement of profit and loss	5,36,76,205	2,77,99,499
Less: Arrears of cumulative preference dividend	-	-
Less: Dividend distribution tax	-	-
Net profit as per Statement of profit and loss for Basic EPS	5,36,76,205	2,77,99,499
Weighted average number of shares considered for computation of basic earnings per share	1,08,21,230	1,08,21,230
 Effect of Dilution		
Add: Effect of compulsorily convertible preference shares	72,32,485	72,32,485
Add: Effect of optionally convertible preference shares	92,50,000	50,50,000
Weighted average number of shares considered for computation of diluted earnings per share	2,73,03,715	2,31,03,715
Earning per share:		
Basic	4.96	2.57
Diluted	1.97	1.20
Nominal value per share	10	10



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IDF FINANCIAL SERVICES PRIVATE LIMITED
Significant accounting policies and notes on accounts

The Major categories of Plan assets

	31-Mar-23	31-Mar-22
Government of India Securities	-	-
High Quality Corporate bonds	-	-
Equity Shares of listed companies	-	-
Property	-	-
Funds Managed by Insurer	100%	100%
Fair value of plan assets at the end of the period	100%	100%

Principal Actuarial Assumptions

	31-Mar-23	31-Mar-22
Discount Rate	7.38 PA	7.50 PA
Salary Growth Rate	7.00 PA	7.00 PA
Expected Rate of Return on Plan Assets	7.38 PA	7.50 PA
Retirement Age	60 Years	60 Years
Mortality Table	IALM (2012 -2014)	ALM (2012 -2014)
Employee Turnover / Attrition Rate	100%	100%
18-30 Years	3.00%	3.00%
30-45 Years	2.00%	2.00%
Above 45 Years	1.00%	1.00%

Current / Non-Current Liability

	31-Mar-23	31-Mar-22
Current Liability	1,41,469	1,11,889
Non-Current Liability	61,88,947	50,48,010
Net Liability	63,30,416	51,59,899

Expected Company's contribution for next year is ₹ 15,98,082/-

3.06 Ratios

Particulars	2022-23	2021-22	Numerator	Demominator
(a) Current Ratio	1.53	1.35	Current Assets	Current Liabilities
(b) Debt-Equity Ratio	4.84	4.22	Total Debt	Total Shareholder's Equity *
(c) Debt Service Coverage Ratio	1.40	1.29	Net operating Income	Debt Service
(d) Return on Equity Ratio	26.00%	16.94%	Net Income	Average Shareholder's Equity *
(e) Inventory Turnover Ratio	NA	NA	Cost of Goods Sold	Average Inventory
(f) Trade Receivable Turnover Ratio	NA	NA	Net Credit Sales	Average Account Receivables
(g) Trade Payables Turnover Ratio	NA	NA	Net Credit Purchases	Average Accounts Payable
(h) Net Capital Turnover Ratio	NA	NA	Working Capital	Turnover
(i) Net Profit Ratio	18.19%	13.29%	Net Profit	Revenue
(j) Return on Capital Employed	19.46%	19.02%	EBIT	Capital Employed
(k) Return on Investment	4.26%	5.49%	Net Return on Investment	Cost of Investment

*Note : The Compulsorily Cumulative Convertible Preference shares and Cumulative Optionally Convertible Preference shares are included for the purpose calculation of Shareholder's Equity.

3.07 Related party disclosures

3.7.1 Names of related parties and nature of relationship

Description of relationship	Nature of relationship
(i) Key managerial personnel	
Mr. Vivekanand Naganagouda Salimath Mr. Naganagouda Marigouda Patil	Chairman Managing Director

3.7.2 Nature of transactions with related parties

Name of related party	Nature of transaction	Type	31-Mar-23	31-Mar-22
Mr. Vivekanand N Salimath	Remuneration	Payment	33,14,595	30,10,515
Mr. Naganagouda M Patil	Remuneration	Payment	33,14,595	30,10,515
Swavalambava Trust	Issue of Preference share capital	Receipt	50,00,000	60,00,000



Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and Advances in the nature of loans
Promoter	0	0
Directors	0	0
KMPs	0	0
Related Parties	0	0

3.08 Earnings and expenditure in foreign currency

	31-Mar-23	31-Mar-22
Earnings	Nil	Nil
Expenditure	Nil	Nil

3.09 Leases

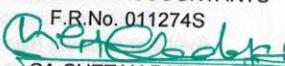
The Company has taken certain offices and residential premises/ facilities under operating lease/ sub-lease agreements. The lease agreements generally have an escalation clause and are not non-cancellable and are renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease/ sub-lease agreements. The aggregate lease rental of ₹ 65,90,281/- have been charged to the Statement of Profit and Loss for the year ended 31-03-2023.

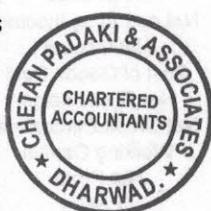
3.10 Rating

CRISIL RATINGS has assigned ratings for the Fund based - Long Term facilities availed by the company as BBB- (Pronounced as CRISIL Triple B Minus) Outlook:Stable as per letter dated 28.09.2022 : [Previous rating BBB- by BRICKWORK Rating is withdrawn (Pronounced as BWR Triple B Minus) Outlook:Stable.]

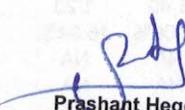
3.11 Prior year comparatives

The previous year's figures are regrouped /reclassified wherever necessary to conform to the current year's presentation.

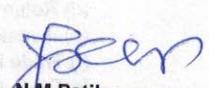
As per our report of even date
for CHETAN PADAKI & ASSOCIATES
CHARTERED ACCOUNTANTS
F.R.No. 011274S

CA.CHETAN PADAKI
PARTNER
Mem.No.216929



for and on behalf of IDF Financial Services Private Limited


Prashant Hegde
Company Secretary
Mem. No. ACS 56041


V N Salimath
Chairman
DIN: 0253109


N M Patil
Managing Director
DIN: 1674210

Date : 14-06-2023

Place: Bengaluru

1,300,000
1,300,000
1,300,000
1,300,000
1,300,000
1,300,000



IDF FINANCIAL SERVICES PRIVATE LIMITED

Notes to the financial statements as at March 31st, 2023

Note 2.07 : Property, Plant and Equipments

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on March 31st, 2022	Additions for the year	Deletions for the	As on Mar 31st, 2023	Up to March 31st, 2022	Additions for the year	Deletion s For the year	As on Mar 31st, 2023	As on Mar 31st, 2023	As at March 31, 2022
A. Tangible assets										
Computer and Accessories	85,85,621	7,43,599	-	93,29,220	78,40,140	6,55,981	-	84,96,121	8,33,099	7,45,481
Furniture and Fixtures	25,59,110	1,97,530	-	27,56,640	21,66,393	1,19,153	-	22,85,546	4,71,094	3,92,717
Vehicle	16,96,935	29,51,151	-	46,48,086	14,34,666	3,54,612	-	17,89,278	28,58,808	2,62,269
Office Equipment	30,17,678	98,445	-	31,16,123	29,81,205	27,195	-	30,08,400	1,07,723	36,473
Total [A]	1,58,59,344	39,90,725	-	1,98,50,069	1,44,22,404	11,56,941	-	1,55,79,345	42,70,724	14,36,940

Date : 14-06-2023

Place: Bengaluru

