



ANNUAL REPORT 2022-23

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Plot No-13, KH. No. 33/7, Village Amberhai, Pole No.
J9647 Sector-19, Dwarka, Delhi-110077



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ABOUT ISF LIMITED

ISF Ltd is an RBI Registered NBFC taking care of the capital needs for individuals as well as businesses. Having a vast experience of over 35 years as one of Oldest North India's listed Non-Banking Finance Company (NBFC).

Taking advantage of Technology Company has also decided to foray into digital lending space and make its mark in industry.

OUR PRODUCTS



Digital Lending



MSME Loan



Vehicle Loan



Mortgage Loan



School Loan



- To be leader in retail and corporate credit business - using Technology, Creativity and Innovative partnerships



- To be most trusted NBFC that embraces the values of Integrity, Honesty, Trust, Respect and Professionalism equally trusted by our Customers, Partners and Employees



CORPORATE INFORMATION

<u>Board of Directors</u> Mr. Vishal Dang (Whole Time Director) Ms. Gayathri MN (Independent Director) Mr. Hargovind Sachdev (Independent Director)	<u>Statutory Auditors</u> M/s VSSA & Associates Chartered Accountants <u>Secretarial Auditors</u> Anuj Gupta & Associates Company Secretaries <u>Banks</u> HDFC Bank ICICI Bank <u>Registrar & Transfer Agent</u> Skyline Financial Services Private Ltd D-153A, 1 ST Floor, Okhla Industrial Area Phase I, New Delhi- 110020. <u>Key Managerial Personnel</u> <u>Chief Financial Officer</u> Mr. Vijay Gupta <u>Company Secretary & Compliance Officer</u> Ms. Manisha Saxena <u>Chief Executive Officer</u> Mr. Niraj Kumar Chatri
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CIN: L74899DL1988PLC076648

Reg Office: Plot No-13, KH. No. 33/7, Village Amberhai, Pole No. J967, Sector-19, Dwarka, Delhi -110077

Corporate Office: A-96, Sector-65 Noida, Uttar Pradesh- 201301

NOTICE OF 35th ANNUAL GENERAL MEETING

Notice is hereby given that the thirty-fifth Annual General Meeting of the members of ISF Ltd. ('ISF' or the 'Company') will be held on Monday, 18th day of September 2023 at 12:00 Noon IST through Video Conferencing ('VC')/ Other Audio-Visual Means ('OAVM') (hereinafter referred to as 'e-AGM') to transact the following:

ORDINARY BUSINESS

- 1. To consider and adopt the financial statements of the Company for the financial year ended 31 March 2023, together with the Directors' and Auditors' Reports thereon.**
- 2. To appoint a director in place of Mr. Vishal Dang (DIN- 07971525), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.**

SPECIAL BUSINESS

- 3. Regularization of Mr. Bhupendra Kaushik (DIN: 07016552) as an Independent Director of the Company.**

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

RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (*including any statutory modification(s) or enactment thereof for the time being in force*), and pursuant to the recommendation of the Nomination & Remuneration Committee and approved by the Board of Directors, Mr. Bhupendra Kaushik (DIN: 07016552) who was appointed as additional director designated as Independent Director of the Company by the Board of Directors w.e.f. 24th August, 2023, be and is hereby appointed as Independent Director of the Company for a period up to five years w.e.f. from 24th August, 2023 to 23rd August, 2028 and he is not liable to retire by rotation".

- 4. To Approval for implementation and grant of the Employees Stock Option under the 'ISF Employee Stock Option Plan 2023' to the eligible employees of the company.**

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

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder ("the Act") *including any statutory amendment thereto or re-enactment thereof*, Regulation 6(1) and any other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 as amended from time to time (hereinafter referred to as **"SEBI SBEB & SE Regulations"**), the applicable provisions of the

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations**”), and in accordance with Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “**Board**”)” which term shall be deemed to include any Committee, including the Nomination and Remuneration Committee, which the Board has constituted to exercise its powers, including the powers, conferred by this resolution), on the recommendations of the Nomination & Remuneration Committee & the Board of Directors of the Company, the approval and consent of the Members of the Company be and are hereby accorded for approval of ISF Employees Stock Option Scheme - 2023 (hereinafter referred as “**ISF ESOP – 2023**” or “**Plan**”) authorizing the Board (which term shall be deemed to include any Committee, including the Nomination & Remuneration Committee, which the Board of Directors has constituted to exercise its powers, including the powers, conferred by this resolution) to create, issue and grant, not exceeding 47,50,000 (Forty Seven Lakh and Fifty Thousand) Employee Stock Options (hereinafter referred as “Options”) in one or more tranches, from time to time, to or for the benefit of such person(s) who are in the employment or service of the Company in terms of ESOP 2023), present and future, in India, including any director who is in whole time employment (other than employees / directors who are promoters or belonging to the promoter group, independent directors and directors holding directly or indirectly more than ten percent of the outstanding equity shares of the Company), subject to their eligibility as may be determined under the ESOP 2023, which upon exercise shall not exceed in aggregate 47,50,000 (Forty Seven Lakh and Fifty Thousand) equity shares (“Shares”) having a face value of Rs.1/- (Rupees One Only) each fully paid-up of the Company, where one Option upon exercise shall convert in to one Share upon exercise subject to payment / recovery of requisite exercise price and applicable taxes, on such terms, conditions and in such manner as the Board / Nomination and Remuneration Committee may decide in accordance with the provisions of the applicable laws and the provisions of the Plan;

RESOLVED FURTHER THAT the Shares as specified hereinabove shall be issued and allotted to the Option grantees upon exercise of the Options in accordance with the terms of the grant and provisions of the Plan and such Shares shall rank pari passu in all respects with the then existing Shares of the Company;

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issues, bonus issues, change in capital structure, or other re-organisation, the ceiling aforesaid in terms of the number of Shares reserved under the Plan shall be adjusted with a view to facilitate fair and reasonable adjustment to the eligible employees as per provisions of the SEBI SBEB Regulations and such adjusted number of the Shares shall be deemed to be the ceiling as originally approved;

RESOLVED FURTHER THAT in case the Shares of the Company are either sub-divided or consolidated, then the number of Shares to be allotted and, to the extent allowed, the exercise price payable by the Option grantees under the Plan shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of Rs.1/- (Rupees One Only) per Share bears to the revised face value of the Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said Option grantees;

RESOLVED FURTHER THAT, the Company shall conform to the applicable Accounting Policies, Guidelines or Accounting Standards as may be applicable from time to time, including the disclosure requirements prescribed therein;

RESOLVED FURTHER THAT the Board be and is hereby authorised at any time to modify, change, vary, alter, amend, suspend or terminate the Plan subject to consent of the shareholders by way of a special resolution to the extent required under the applicable laws including the SEBI SBEBS Regulations and to do all such acts, deeds, matters and things as may at its absolute discretion deems fit, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard and further to execute all such documents, writings and to give such directions and / or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the Plan and do all other things incidental and ancillary thereof."

**By order of the Board of Directors
For ISF Limited**

SD/-

**Manisha Saxena
Company Secretary and Compliance Officer
Membership No.: A71075**

**Date: 24.08.2023
Place: Delhi**

Notes:

1. The Ministry of Corporate Affairs ("MCA") allowed conducting Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM") and dispensed physical presence of the Members at a common venue. Accordingly, MCA issued Circular No. 10/2022 dated: December 28, 2022 read with circular 2/2022 dated: 5th May, 2022 read with Circular No. 20/2020 dated: 5th May, 2020 read with Circular No. 14/2020 dated: 8th April, 2020, Circular No. 17/2020 dated: 13th April, 2020, Circular No. 02/2021 dated: 13th January, 2021, Circular No. 19/2021 dated: 8th December, 2021 and Circular No. 02/2022 dated: 05th May, 2022 (hereinafter collectively referred to as "MCA Circulars") and Securities and Exchange Board of India("SEBI") vide Circular Nos. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated: January 05th 2023 SEBI /HO/CFD/CMD1CIR/P/2020/79 dated: 12th May, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated: 15th January, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated: 13th May, 2022 (hereinafter collectively referred to as SEBI Circulars) prescribing the procedures and manner of conducting the AGM through VC/OAVM. In terms of the said Circulars, the 35th AGM of the Members will be held through VC/OAVM mode. Hence, Members can attend and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the Meeting through VC/OAVM is given herein below.
2. The Company has appointed Skyline Financial Services Private Limited, to provide the VC/ OAVM facility for conducting the AGM and for voting through remote e-voting or through e-voting at the AGM. The procedure for participating in the meeting through VC/ OAVM is explained in the notes and is also available on the website of the Company at <https://isflimited.in/>
3. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 ,May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the

Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://isflimited.in/Annual-General-Meeting-AGM.php>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

8. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

9. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e., 18th August, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e., 18th August, 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

10. M/s Pawan Mahur & Associates; Company Secretary, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

11. As per the SEBI Circular: SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/001, dated: January 5, 2023, and SEBI/HO/CFD/CMD2/CIR/P/2022/62; Dated: May 13, 2022, SEBI has provided the Limited relaxation pertaining to the dispatch of physical copies of financial statements, full annual report etc. (Regulation 58 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), The same would be dispatch to the shareholders on request.

12. SEBI has mandated that any service request from members holding securities in physical mode shall be entertained only upon registration of the PAN, KYC details and nomination. Members are requested to submit Form ISR-1 duly filled and signed along with self-attested copy of the PAN card and such other documents as prescribed in the Form, to register or update:

- a. PAN, KYC details and nomination.
- b. Particulars of bank account or change in their address, for receiving dividends directly in their account through electronic clearing service (ECS) or physical instrument such as banker's cheque or demand draft.

- c. E-mail address to receive communication through electronic means, including Annual report and notice.

The said form is available on the website of the Company at <https://isflimited.in/> and on the website of Skyline Financial Services Pvt Ltd (RTA) at www.skylinerta.com Members have an option to submit the duly filled Form ISR-1 in person at any of the branches of Skyline Financial Services Pvt Ltd (RTA), details of which are available at Skyline Financial Services Pvt Ltd Contact Us or submit e-signed form online along with requisite documents by accessing the link www.skylinerta.com or physical forms can be sent through post at following address: D-153/A, 1st Floor, Okhla Industrial Area, Phase –I, New Delhi – 110020.

Kindly note that the folios wherein any one of the said document/details are not updated on or after 1 October 2023 shall be frozen by RTA. Further, the any future payment and benefits in respect of such frozen folios will be made only through electronic mode with effect from 1 April 2024. Members holding shares in dematerialized mode, who have not registered/updated their aforesaid details are requested to register/update the same with the respective depository participants ('DPs').

13. SEBI vide its circular dated 25 January 2022, has mandated that the listed companies shall henceforth issue the securities in dematerialized form only, while processing service requests such as issue of duplicate share certificates, transmission, transposition, etc. Accordingly, members who still hold shares in physical form are advised to dematerialize their holdings.

14. Pursuant to section 72 of the Act read with SEBI circular dated 16 March 2023, members holding shares in physical form are advised to update their nomination details in the prescribed Form SH-13 or Form SH-14 or Form ISR-3 (Declaration to Opt-out). The forms can be accessed from the website of the Company at <https://isflimited.in/> and RTA at www.skylinerta.com In respect of shares held in electronic/ demat form, the members may contact their respective DP.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -

The remote e-voting period begins on Friday 15, September 2023 at 09:00 A.M. and ends on Sunday 17, September, 2023 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 11th September, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 11th September, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular 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.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added 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 i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are 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.js

3. Visit the e-Voting website of NSDL. Open web browser by typing the following 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 i.e., NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on



Individual Shareholders holding securities in demat mode with CDSL

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 users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password.
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, 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 CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.
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. 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.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. 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 i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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., NSDL and CDSL.

Login type	Helpdesk details
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 022 - 4886 7000 and 022 - 2499 7000
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 toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP

and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e., IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the “Initial password” or have forgotten your password:
 - a) Click on “[Forgot User Details/Password?](#)”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) [Physical User Reset Password?](#)” (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e., assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are

authorized to vote, to the Scrutinizer by e-mail to corporatemakers@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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 info@isflimited.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to info@isflimited.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular 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 required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at info@isflimited.in and +91- 9105535135. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Business mentioned in the accompanying Notice:

ITEM No 3. Regularization of Mr. Bhupendra Kaushik (DIN: 07016552) as an Independent Director of the Company.

The Board of Directors of the Company appointed Mr. Bhupendra Kaushik (DIN: 07016552) as an Independent Director w.e.f. 24th August, 2023, subject to the approval of the Members of the Company. The Nomination and Remuneration Committee and the Board have recommended the appointment of Mr. Bhupendra Kaushik (DIN: 07016552) as an Independent Director pursuant to the provisions of Sections 149, 150, 152, and 178 of the Companies Act, 2013 for a period upto five years with effect from 24th August, 2023 to 23rd August, 2028.

The Company has received a declaration from Mr. Bhupendra Kaushik (DIN: 07016552) confirming that he meets the criteria of independence under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has also received from Mr. Bhupendra Kaushik (DIN: 07016552) consent to act as Independent Director in terms of Section 149(6) and Section 152 of the Companies Act, 2013 respectively and a declaration that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. His brief resume has not been given here for the sake of brevity.

In the opinion of the Board, Mr. Bhupendra Kaushik (DIN: 07016552) fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for his appointment as an Independent Director of the Company. Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Bhupendra Kaushik (DIN: 07016552) is appointed as an Independent Director for a period upto Five year from the 24th August, 2023.

Additional information in respect of Mr. Bhupendra Kaushik, pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), is given at **Annexure A** to this Notice.

Except Mr. Bhupendra Kaushik being the appointee, or his relatives, none of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at Item No.3.

ITEM No. 4 To approve implementation of the 'ISF Employee Stock Option Plan 2023' (ISF ESOP 2023) and to approve grant of employee stock options under the 'ISF Employee Stock Option Plan 2023' to the eligible employees of the Company

In this era of globalization and competition, it is important for the organization to maintain and improve its employees' performance to ensure the progress and competitiveness. The Company believes that to improve performance of the employees, it is essential to motivate them as it brings in higher productivity and energy to achieve other organizational goals.

Further, it may be noted that emergence of new age skillsets in the fields relevant for the energy business has resulted in changed dynamics of the talent market. This has necessitated in bringing out a meaningful reward strategy for attraction of new talents and retention of both existing and new critical resources instrumental for sustained corporate growth.

Employee Stock Option Scheme is an effective instrument in promoting the culture of employee ownership, creating long term wealth in their hands which also helps the Company to attract and motivate the best available talent in competitive environment.

The Company believes that equity-based compensation schemes are effective tools to motivate and reward the talents working exclusively with the Company. With a view to achieve the aforesaid objectives, to create an employee co-ownership and to encourage them in aligning their individual goals with that of the Company, the Company intends to implement an employee stock option scheme, namely, 'ISF Employee Stock Option Plan 2023' ("ISF ESOP 2023" / "Plan") seeking to cover eligible employees of the Company.

As per the provisions of Regulation 6 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB Regulations"), the Company seeks your approval for:

- a. Implementation of the Plan; and
- b. Grant of the Options to the eligible employees of the Company as per the terms of the Plan.

The Nomination and Remuneration Committee to be designated as the Compensation Committee at its meeting inter-alia formulated the detailed terms and conditions of the said scheme which was duly approved by the Board of Directors of the Company ('the Board') at its meeting held on 04th August, 2023 have approved the plan subject to the approval of the members.

The Company seeks approval of the members for the issue of options to the Eligible Employees of the Companies as may be determined by the Compensation Committee of the Company

The main features of the Plan are as under:

1. Brief description of the scheme:

The Company proposes to introduce the Plan with a view to attract, retain, and motivate employees and directors of the Company. The Plan contemplates grant of employee stock options ("Options") to the eligible employees as may be determined in due compliance of SEBI SBEB Regulations. After vesting, the eligible employees earn a right (but not obligation) to exercise the vested Options within the predefined exercise period.

The liability of paying taxes, if any, in respect of the Options granted pursuant to the Plan and the Shares issued pursuant to the exercise of the Options shall be on the Option grantee and / or the Company, in such cases where the Company decides to pay on behalf of the Option grantee, and shall be in accordance with the provisions of the Income Tax Act, 1961 read with rules issued thereunder and / or Income Tax Laws of respective countries as applicable to eligible employees of the Company working abroad, if any.

The Company shall have the right to deduct from the Option grantee's salary or recover any of the Option grantee's tax obligations arising in connection with the transactions in respect of the Options or Shares acquired upon the exercise thereof.

2. The total number of options to be granted:

The total number of Options to be granted under ISF ESOP 2023 shall not exceed 47,50,000 (Forty-Seven Lakh Fifty Thousand) convertible into not more than 47,50,000 (Forty-Seven Lakh Fifty Thousand) Shares having a face value of Rs.1/- (Rupees One Only) each fully paid up, with each such Option conferring a right upon the employee to be issued one Share of the Company, in accordance with the terms and conditions of such issue.

The SEBI SBEB Regulations require that in case of any corporate action(s) such as rights issues, bonus issues, merger and sale of division and others, a fair and reasonable adjustment needs to be made to the Options granted. In this regard, the Nomination and Remuneration Committee shall adjust the number and exercise price of the Options granted in such a manner that the total value of the Options granted under ISF ESOP 2023 remain the same after any such corporate action.

Accordingly, if any additional Options are issued by the Company to the Option grantees for making such fair and reasonable adjustment, the ceiling of 47,50,000 (Forty-Seven Lakh Fifty Thousand) shall be deemed to be increased to the extent of such additional Options issued. If an Option expires, lapses or becomes un-exercisable due to any reason, it shall be brought back to the Options pool and shall become available for future grants, subject to compliance with the provisions of the Applicable Laws.

The Plan shall continue to be in force until earlier of:

- i. March 31, 2033; or
- ii. The date all the Options reserved under the Plan are granted and exercised; or
- iii. The date of termination, if any, of the Plan.

Thus, all the Employees meeting the eligibility criteria as may be determined by the Nomination and Remuneration Committee from time to time and who join the Company hereafter and till March 31, 2028 would also be entitled to the benefit under Plan.

3. Identification of classes of employees entitled to participate in plan:

Following classes of employees ("Employees") are entitled to participate in Plan:

- a) An Employee as designated by the Company, who is exclusively working in India or outside India; or
- b) A Director of the Company, whether a Whole Time Director or not, including a Non – Executive Director who is not a Promoter or member of the Promoter Group, but excluding an Independent Director; or
- c) An Employee as defined in sub-articles (a) or (b), of a Group Company including Subsidiary or its Associate Companies, in India or outside India

But does not include:

- a) An Employee who is a Promoter or a person belonging to the Promoter Group; or
- b) A Director who either himself or through his relative or through anybody corporate directly or indirectly, holds more than 10% (ten) percent of the outstanding equity

shares of the Company.

4. Appraisal process for determining the eligibility of employee under Plan:

The appraisal process for determining the eligibility of the employees shall be decided by the Compensation Committee i.e., Nomination and Remuneration Committee from time to time. The appraisal process for determining the employees, to whom the options shall be granted, shall be based upon their past performance and potential future indications, qualification, their experience in the field, period of service with the company, the status/ designation of the Employees in the Company and other factors deemed relevant.

5. Requirements of Vesting and period of Vesting:

Options granted under ISF ESOP 2023 shall vest at the end of 1 (one) year from the date of Grant.

- 20% Options would vest at the end of first year from the date of grant of such Options, and balance would vest at the end of each subsequent year from the date of grant of such Options; in equal percentage of 20% of Total balance options granted to each employee as per the ISF ESOP 2023 Policy.

Options shall vest essentially based on continuation of employment as per requirement of the SEBI SBEB Regulations. Besides continuity of employment, Options under the proposed Plan shall vest for Employees on the basis of corporate performance / individual performance. The Nomination and Remuneration Committee shall have the power to determine any parameters with respect to performance conditions and shall also have the power to prescribe additional vesting conditions.

Options granted would vest essentially on the basis of continuation of employment / service as on relevant date of vesting as a pre-requisite condition, provided that the eligible Employee is not under any notice of resignation or termination and such other circumstances as mentioned in the ISF ESOP Policy.

In case of death and permanent incapacity of an eligible Employee in employment or service, condition of minimum vesting period of 1 (One) year shall not apply, in which case all the Options granted up to the death or permanent incapacity, as the case may be, shall vest as on date of such event. However, in the event of superannuation, the Options shall vest as per the original vesting schedule even after the superannuation unless otherwise determined by the Nomination and Remuneration Committee as per policy of the Company and SEBI SBEB Regulations.

6. Maximum period within which the Options shall be vested:

Options granted under the Plan would vest not earlier than minimum vesting period of 1 (one) year and not later than maximum vesting period of 5 (five) years from the date of grant of such Options.

7. Exercise price or pricing formula:

In case of grant of option Exercise price shall be lesser than 90% of the Market Price w.r.t. the date of Grant; However, the Exercise Price shall not be less than the face value of the shares.

8. Exercise period and process of exercise:

The exercise period would commence from the date of vesting and will expire on completion of 2 (Two) years from the date of respective vesting or such other period as may be decided by the Nomination and Remuneration Committee, from time to time.

The vested Options, as permitted under the Plan, shall be exercisable by the Employees by a written application to the Company expressing their desire to exercise such Options in such manner and in such format and in such numbers as may be prescribed by the Nomination and Remuneration Committee from time to time. The vested Options shall lapse, if not exercised within the specified exercise period.

9. Maximum number of options to be issued per employee and in aggregate:

The maximum number of options that shall be granted to an eligible employee, shall vary depending upon the designation and the appraisal / assessment process, however the Nomination and Remuneration Committee reserves the right to decide the number of Options to be granted and the maximum number of Options that can be granted to each employee within this ceiling.

10. Maximum quantum of benefits to be provided per employee under the scheme(s):

Total 25,000 Equity Shares having face value of INR 1/- shall be provided to each employee under this scheme.

No benefit other than by way of grant of Options is envisaged under the Plan.

11. Whether the scheme(s) is to be implemented and administered directly by the company or through a trust:

The Plan shall be implemented and administered directly by the Company.

12. Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trustor both:

The scheme only involves new issue of shares by the Company.

13. The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.:

This is currently not contemplated under the present Plan.

14. Maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the trust for the purposes of the scheme(s):

This is currently not contemplated under the present Plan.

15. The conditions under which the option vested in employees may lapse, e.g., in case of termination of employment for misconduct:

Below are the instances stating the treatment in case of occurrence of aforementioned events:

Sl. No.	Events	Vested Options	Unvested Options
1.	Resignation (Other than due to misconduct)	All the Vested Options as on the date of submission of resignation shall be exercisable by the Option Grantee on or before his/her last working day in the Company.	All the Unvested Options as on date of submission of resignation shall stand cancelled with effect from date of submission of resignation
2.	Termination (Other than due to misconduct/ abandonment)	All the Vested Options as on the date of termination shall be exercisable by the Option Grantee within a period of 90 days from his/ her termination	All the Unvested Options as on date of termination shall stand cancelled with effect from date such termination.
3.	Termination due to misconduct/ abandonment	All the Vested Options at the time of such termination shall stand cancelled with effect from the date of such termination.	All the Unvested Options at the time of such termination shall stand cancelled with effect from the date of such termination.
4.	Retirement	All the Vested Options as on the date of retirement shall be exercisable by the Option Grantee within the period of 90 days from his/ her last working day in the Company.	All Unvested Options on the date of retirement shall stand cancelled with effect from date of retirement.
5.	Death	All Vested Options may be exercised by the Option Grantee's nominee or legal heir within a maximum period of 2 (Two) years from the date of Vesting of Options.	All the Unvested Options as on date of death shall, vest immediately in the Option Grantee's nominee or legal heir and can be exercised in the manner defined for Vested Options.
6.	Permanent Incapacity	All Vested Options may be exercised by the Option Grantee's or his/ her nominee or legal heir, as the case may be, within a maximum period of 2 (Two) years from the date of Vesting of Options.	All the Unvested Options as on date of incurring of such Permanent Incapacity shall vest immediately in the Option Grantee or his/ her nominee or legal heir, as the case may be and can be exercised in the manner defined for Vested Options.
7.	Any other event not specified above	As decided by the Committee (on case-to-case basis) and such decision shall be final.	As decided by the Committee (on case-to-case basis) and such decision shall be final.

16. The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of an employee – Resignation or Termination:

In the event of resignation or termination of the employee, all vested options to be exercised within the period of notice period/ on or before last working day of such employee, else the option shall stand lapsed and in the event of termination for misconduct of the employee, all vested, unvested as on that day shall lapse.

17. Accounting and Disclosure Policies:

The Company shall follow the laws / regulations applicable to accounting and disclosure related to Employee Stock Options and Accounting Standard IND AS 102 on Share based payments and / or any relevant Accounting Standards as may be prescribed by the competent authorities from time to time, including the disclosure requirements prescribed therein in due compliance with the requirements of Regulation 15 of the SEBI SBEB Regulations.

18. The method which the company shall use to value its options:

The Company shall adopt 'fair value method' for valuation of the Options as prescribed under guidance note or under any relevant accounting standard notified by the appropriate authorities from time to time for the time being in force.

19. Lock-in:

The Shares arising out of Exercise of Vested Options shall be subject to lock in period for 36 Months from the date of allotment of such Shares under ISF ESOP 2023.

Provided that the Shares so allotted out of such Exercise of options, the same cannot be sold for such further period or intermittently as required under the terms of Code of Conduct for Prevention of Insider Trading of the Company framed under Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations, 2015.

20. Terms & conditions for buyback, if any, of specified securities

Subject to the provisions of the then prevailing applicable laws, the Nomination and Remuneration Committee shall determine the procedure for buy-back of the Options granted under the Plan if to be undertaken at any time by the Company, and the applicable terms and conditions thereof.

The consent of the shareholders is being sought pursuant to Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act, 2013 read with Regulation 6 of the SEBI SBEB Regulations for implementation of ESOP 2023.

The Board of Directors recommend implementation of ESOP 2023 for the employees of the Company. In light of above, you are requested to accord your approval to the Special Resolutions as set out at Agenda Item No. 4 of the accompanying Notice.

A draft copy of ISF ESOP 2023 plan is available for inspection at the Registered office and corporate office of the Company between 2.00 p.m. and 5.00 p.m. on all working days (except Saturdays, Sundays and Holidays). The same is also available on the website of the

Company i.e., <https://isflimited.in/> to facilitate online inspection till the conclusion of the ensuing Annual General Meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives has any concern or interest, financial or otherwise, in the proposed resolution, except to the extent of their entitlements determined lawfully, if any, under Plan.

Annexure to the Notice dated: 24th Day of August, 2023

Disclosure pursuant to Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of Secretarial Standards-2 on General Meetings.

Name	Mr. Vishal Dang	Mr. Bhupendra Kaushik
Director Identification Number (DIN)	07971525	07016552
Designation/category of the Director	Wholetime Director (Executive)	Non- Executive, Independent Director
Age	33 Years	32 Years
Qualifications	MBA (Finance and IT)	Company Secretary (ICSI)
Experience (including expertise in specific functional area)	Having an experience of more than 10 years in Finance Industry.	Providing Professional and secretarial services since 2013.
Terms and Conditions of Appointment /Reappointment	As per the resolution passed by the shareholders.	As per the resolution passed by the shareholders.
Remuneration last drawn (Including sitting fees, if any)	6,00,000	N.A.
Date of first appointment on the Board	08 th May, 2020	24 th August, 2023
Shareholding in the Company as on date of notice	7184910 Equity shares	NIL
Relationship with other Directors / Key Managerial Personnel	Not Applicable	Not Applicable
Number of meetings of the Board attended during the year	11 board meeting	N.A.
Directorships of other Boards as on March 31, 2023	N.A.	10 1) Abhijit Trading Co Ltd 2) Sital Leasing and Finance Ltd 3) Alstone Textiles (India) Limited 4) Sunshine Capital Limited 5) Qualitek Starch Private Limited 6) Relax Pharmaceuticals Private Limited 7)India Solomon Holdings Limited 8)VMK Professionals Private Limited 9)Copmed Pharmaceuticals Private Limited 10) Auxilia Foundation
Membership / Chairmanship of Committees of other Boards as on March 31, 2023. (Inclusive of Stakeholder and Relationship Committee and Audit Committee)	NIL	Chairmanship: 04 Membership: 07

The Justification for choosing the appointees for appointment as Independent Directors	N.A.	<p>The role and capabilities as required in the case of an independent director are well defined in the Policy on Nomination, Appointment, and Removal of Directors. Further, the Board has a defined list of core-skills/expertise/competencies, in the context of its business and sector for it to function effectively.</p> <p>The Nomination and Remuneration committee of the company has evaluated the profile of Mr. Bhupendra Kaushik possess the relevant skill and capabilities to discharge the role of Independent Directors</p>
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**By order of the Board of Directors
For ISF Limited**

SD/-

Manisha Saxena

Company Secretary and Compliance Officer

Membership No.: A71075

Date: 24.08.2023

Place: Delhi



Director's Report

2022-2023

DIRECTORS' REPORT

Dear Shareholders,

Your directors present the Thirty-fifth (35th) Annual Report along with the audited financial statements for Financial Year 2022-23.

Company Overview

ISF Limited, is a public limited company incorporated on August 10, 1988 under the Companies act, 1956 and currently has its registered office at Plot No-13, KH. No. 33/7, Village Amberhai, Pole No. J967, Sector-19, Dwarka, Delhi- 110077. The Company changed its name from Inter State Finance Limited to ISF Ltd. in the year 2009. It is registered as a Non- Deposit taking Non-Systematically Important Non- Banking Financial Company vide the Reserve Bank of India ('RBI') registration number B- 14.00761 dated 25th April 2011. The Company launched its initial public offering of equity share and was listed on the BSE Ltd. in the year 1995.

Financial Results

Particulars	2022-2023 (In Lakhs)	2021-2022 (In lakhs)
Revenue from Operations	165.86	163.50
Other Income	12.13	0.19
Total Income	177.99	163.69
Total Expense	173.75	80.40
Profit/ (Loss) before tax	4.24	83.29
Tax Expense		
Current	(1.11)	(21.68)
Earlier Year	(2.41)	(2.69)
Deferred Tax	0.00	0.00
Profit/(Loss)after tax	0.72	58.92

Results of Operations & State of Company's Affairs

The Company is a Non-Banking Finance Company (NBFC) registered with Reserve Bank of India (RBI). During the financial year under review, the Company recorded a turnover of ₹ 165.86 Lakh during the year against ₹ 163.50 Lakh in the previous year and the Company has earned a profit after tax of ₹ 0.72 Lakh as compared to profit after tax of ₹ 58.92 Lakh in the previous financial year. The management of the Company is putting their best efforts to improve the performance of the Company.

During the year, the Company has performed modestly despite of challenging economic conditions and other related factors. The Directors are relentlessly striving for betterment of the business and growth of the Company. They are optimistic about the future and expect the business to perform well in the forthcoming year.

Transfers to Reserve fund

Under section 45-IC (1) of Reserve Bank of India ('RBI') Act, 1934, non-banking financial companies ('NBFCs') are required to transfer a sum not less than 20% of its net profit every year to reserve fund before declaration of any dividend. Accordingly, in the year 2022-23 ISF Ltd. (the 'Company' or 'ISF') has transferred a sum of ₹ 0.15 lakh to its reserve fund.

Dividend

The Board of Directors has not recommended any dividend for the financial year ended on 31st March, 2023. Since the Board have considered it financially prudent in the long-term interest of the Company to re-invest the profits into the business of the Company to build a strong reserve base and grow the business of the Company.

Deposits

The Company being non-deposit taking NBFC, has not accepted any deposits from the public during the year under review.

Subsidiaries, Associates and Joint Ventures

The Company does not have any Subsidiary, Joint Venture or Associate Company; hence provisions of section 129(3) of the Companies Act, 2013 relating to preparation of consolidated financial statements are not applicable.

Particulars of Loans, Guarantees or Investments Made U/S 186 of the Companies Act, 2013

The Company, being an NBFC registered with the RBI and engaged in the business of giving loans in ordinary course of its business, is exempt from complying with the provisions of section 186 of the Act with respect to loans and guarantees. Accordingly, the disclosures of the loans given as required under the aforesaid section have not been made in this Report.

But, the particulars of Loans, Guarantees, and Investments have been disclosed in the Financial Statements read together with Notes annexed to and forming an integral part of the Financial Statements which is annexed as **Annexure III**.

Corporate Social Responsibility

As per the provisions of Section 135 of the Companies Act, 2013 read with rules framed thereunder, certain class of companies is required to spend 2 % of its average net profits of the company made during 3 immediately preceding financial years on CSR activities. It also provides for formation of CSR committee of the Board. The rules prescribe the activities qualify under CSR and the manner of spending the amount. The company is not covered under section 135 of the Companies Act, 2013 and the rules framed there under for the financial year under review.

Share Capital and Debt Structure

During the year period under review, there were no Change in the Capital Structure of the Company. The Authorized Share Capital of the Company is ₹ 35,00,00,000/- (Rupees Thirty-Five crores only) divided into 35,00,00,000 (Thirty-Five crores only) Equity Shares of INR 1/- each. As on March 31, 2023, the paid-up share capital of the Company is ₹ 9,50,00,000/- (Rupees Nine crores Fifty Lakh) divided into 9,50,00,000 (Nine crores Fifty Lakh) Equity Shares of INR 1/- each.

a) Bonus Issue

As per Section 63 of Companies Act, 2013 and rule 14 of Companies (Share Capital and Debenture) Rules, 2014, during the period under review, your Company has not issued bonus shares.

b) Issue of equity shares with differential rights

As per Section 43 of Companies Act, 2013 and rule 4 (4) of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued equity shares with differential rights.

c) Issue of sweat equity shares

As per Section 54 of Companies Act, 2013 and rule 8 (13) of Companies (Share Capital and Debentures) Rules, 2014 and the SEBI regulations, during the period under review, your Company has not issued Sweat equity shares.

d) Issue of employee stock options

As per Section 62(1)(b) of Companies Act, 2013 and rule 12 of Companies (Share Capital and Debentures) Rules, 2014, during the period under review, your Company has not issued. After the closure of financial year 2022-2023 Company in its board meeting held on August 04, 2023, approve the ISF ESOP 2023 policy subject to approval of shareholders in ensuing Annual General Meeting.

e) Provision of money by Company for purchase of its own shares by employees or by trustees for the benefit of employees

As per Section 68 of Companies Act, 2013 and rule 16 (4) of Companies (Share Capital and Debentures) Rules, 2014 there are no voting rights exercised directly or indirectly by the employees in respect of shares held by them.

Directors' Responsibility Statement

Pursuant to section 134(5) of the Companies Act, 2013, the board of Directors, to the best of their knowledge and ability, confirm that:

- i. in the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. they 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 at the end of the financial year and of the profit of the Company for FY 2022-2023;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They have prepared the annual accounts on a going concern basis;

v. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Directors and Key Managerial Personnel

A. Appointment of Directors.

The Board of Directors based on the recommendation of the Nomination and Remuneration Committee and As per the Section 161(1) of the Act in its meeting held on June 24, 2022 appointed Mr. Hargovind Sachdev (DIN: 08105319) and Ms. Gayathri Muttur Nagaraj (DIN: 06742638) as Additional Directors of the Company, in the category of Non-executive Independent Directors, not liable to retirement by rotation, for a term of 5 (Five) consecutive years respectively subject to approval of Members of the Company. On September 27, 2022, the Members of the Company passed the Special Resolutions at the Annual General Meeting for the appointment of Mr. Hargovind Sachdev (DIN 08105319) and Ms. Gayathri Muttur Nagaraj (DIN 06742638) as Independent Directors of the Company.

B. Cessation of Directors

Mrs. Shweta Aggarwal (DIN: 09145343), Independent Director, Mr. Prem Jain Kumar (DIN 01151409) and Mr. Ravi Kanth Kothuru (DIN 01348930) of the Board resigned from directorship of the Company with effect from June 25, 2022, September 12, 2022 and October 22, 2022 respectively. The Company and senior management were immensely benefited from their sincere advice and guidance. The Board had expressed its sincere gratitude and placed on record its appreciation of their significant contribution during their tenure as Director(s) of the Company.

C. Retirement of Director by Rotation

Mr. Vishal Dang (DIN: 07971525), whole time director of the Company will retire by rotation at the ensuing 35th AGM and being eligible, offers himself for re-appointment.

Mr. Vishal Dang is the whole-time director of the Company. He has been part of ISF since 2020 and has extensive experience and expertise in the financial services and has gained expertise in Corporate Strategies, Building Teams and creating Synergy, Risk Management, Corporate Finance, Leadership development and Technology initiatives. Your Company continues to immensely benefit from his guidance in strategic matters and expert knowledge and advice. His profile is given in the Notice of the ensuing 35th AGM forming part of the Annual Report.

The Board of Directors recommends to the Members passing of the ordinary resolution for re-appointment of Mr. Vishal Dang as a director retiring by rotation.

D. Declaration by Independent Director

Pursuant to the provisions of Section 149 of the Act the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149 (6) of the Act along with Rules framed thereunder. There has been no change in the circumstances affecting their status as independent directors of the Company.

E. Policies on appointment of Directors and Remuneration

The Company has in place a Nomination & Remuneration Committee in accordance with the requirements of the Companies Act, 2013.

The Committee has formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the key managerial personnel including senior management and other employees, composition and the criteria for determining qualifications, positive attributes and independence of a Director and the policy is available on the website of the Company i.e., <https://isflimited.in/policies.php>

F. Performance evaluation at Board and Independent Directors' Meetings

In line with the provisions of section 134(3) of the Companies Act, 2013 and Rules made thereunder read with the relevant provisions of the SEBI Listing regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance, Board Committees and individual Directors. The performance of the Board of Directors and its Committees were evaluated on various parameters such as structure, composition, experience, performance of specific duties and obligations, quality of decision making and overall effectiveness.

The performance of individual Directors was evaluated on parameters, such as meeting attendance, participation and contribution and independent judgment.

The Board members noted from time to time the suggestions/ inputs of Independent Directors, Nomination Committee and Audit Committee and also discussed various initiatives to further improve the Board effectiveness.

In a separate meeting of Independent Directors held on 31.03.2023 performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated.

G. Key Managerial Personnel

Mr. Nitin Bhardwaj, Company Secretary & Compliance Officer of the Company resigned from the post of Company Secretary & Compliance Officer with effect from November 12, 2022.

The Board of Directors in its meeting held on November 12, 2022 placed on record its appreciation of his performance, knowledge, skills and commitment demonstrated by him during his tenure as Company Secretary & Compliance Officer of the Company and appointed Ms. Renu as Company Secretary & Compliance Officer of the Company on the recommendation of the Nomination and Remuneration Committee with effect from November 12, 2022.

After the closure of financial year, Ms. Renu resigned from the post of Company Secretary & Compliance Officer of the Company with effect from June 20, 2023. Further, Ms. Manisha Saxena appointed as Company Secretary & Compliance Officer of the Company with effect from August 04, 2023.

H. Meetings of the Board

The Company prepares the schedule of the Board Meeting in advance to assist the Directors in scheduling their program. The agenda of the meeting is circulated to the members of the Board well in advance along with necessary papers, reports, recommendations and supporting documents so that each Board member can actively participate on agenda items during the meeting.

The Board met Eleven (11) times during the Financial Year 2022-2023 The Meetings were held as on 02/04/2022, 13/05/2022, 24/06/2022, 28/06/2022, 12/08/2022, 05/09/2022, 12/09/2022, 16/09/2022, 12/11/2022, 26/11/2022, and 10/02/2023. The maximum interval between any two meetings did not exceed 120 days.

S. No	Name of the Director	No of board Meetings held during the year during his/her tenure as Director	No. of Meetings attended during the year
1.	Mr. Vishal Dang	11	11
2.	Mr. Prem Jain Kumar	6	6
3.	Mr. Ravi Kanth Kothuru	8	8

4.	Ms. Shweta Aggarwal	3	3
5.	Mr. Hargovind Sachdev	8	8
6.	Ms. Gayathri Muttur Nagaraj	8	8

The 34th Annual General Meeting of the Company was held on 27th September, 2022.

RBI Guide Lines

The Company has complied with all the applicable regulations of RBI as on March 31, 2023. The Company has duly filed all returns in accordance with Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016.

Committees of the Board

The Board committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/ activities which concern the Company and need a closer review. The Board committees are set up under the formal approval of the Board, to carry out clearly defined roles which are considered to be performed by the members of the Board, as a part of good governance practice. All decisions and recommendations of the committees are placed before the Board for information or for approval. The minutes of the meetings of all the committees are placed before the Board for their review.

The Board of ISF Limited currently has 3 (Three) Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholder's Relationship Committee

The major terms of reference of the Committees, its composition and number of meetings held during the year ended March 31, 2023 are as follows:

a) Audit Committee

The Composition of the Audit Committee as on 31st March, 2023 is as follows:

Sr. No.	Name of the Director	DIN	Designation in the Committee
1.	Mr. Hargovind Sachdev	08105319	Member & Chairman (Independent Director)
2.	Ms. Gayathri Muttur Nagaraj	06742638	Member (Independent Director)
3.	Mr. Vishal Dang	07971525	Member (Whole Time Director)

Mr. Prem Kumar Jain who was a Whole Time Director and member of Audit Committee resigned from the Company with effect from September 12, 2022.

Mr. Ravi Kanth Kothuru who was an Independent Director and Chairman of Audit Committee resigned from the Company with effect from October 22, 2022.

Mrs. Shweta Aggarwal who was an Independent Director and member of the Audit Committee resigned from the Company with effect from June 25, 2022.

Meetings of the Audit Committee

During the year the Audit Committee met 6 (Six) times. The details of the meetings held during the year ended March 31, 2023 along with the attendance of Directors are as follows:

S.No.	Date of Meeting	Total Number of members of the Committee associated as on the date meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
1.	13/05/2022	3	3	100
2.	12/08/2022	2	2	100
3.	05/09/2022	4	4	100
4.	16/09/2022	3	3	100
5.	12/11/2022	3	3	100
6.	10/02/2023	3	3	100

In case any person requires more information/ details regarding the Audit Committee the person may access the Company's website at the link: <https://isflimited.in/board-members>

b) Nomination and Remuneration Committee

The major terms of reference of the Nomination and Remuneration Committee are as follows:

- Identification of persons qualified to become directors and be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Specifying the manner for effective evaluation of performance of Board, its committees and individual directors;
- Recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

Composition of Nomination & Remuneration Committee as on 31st March, 2023 is as follows:

Sr. No.	Name of the Director	DIN	Designation in the Committee
1.	Mr. Hargovind Sachdev	08105319	Member (Independent Director)
2.	Ms. Gayathri Muttur Nagaraj	06742638	Member & Chairman (Independent Director)

Mr. Ravi Kanth Kothuru who was an Independent Director and Chairman of Nomination & Remuneration Committee resigned from the Company with effect from October 22, 2022.

Mrs. Shweta Aggarwal who was an Independent Director and member of the Nomination & Remuneration Committee resigned from the Company with effect from June 25, 2022.

Meetings of the Nomination & Remuneration Committee

During the year the Committee met 03 (Three) times. The details of the meeting held during the year ended March 31, 2023 along with the attendance of Directors are as follows:

S.No.	Date of Meeting	Total Number of members of the Committee associated as on the date of meeting	Attendance	
			Numbers of Directors	% of Attendance

			Attended	
1.	24/06/2022	2	2	100
2.	05/09/2022	1	1	100
3.	12/11/2022	2	2	100

Nomination & Remuneration Policy is uploaded on the website of the Company i.e., at <https://isflimited.in/policies.php>

c) STAKEHOLDERS RELATIONSHIP COMMITTEE MEETING

The Board of Directors of the Company has constituted Stakeholders Relationship Committee under Section 178 of the Companies Act, 2013 and applicable SEBI Regulations.

The major terms of reference of the Stakeholders Relationship Committee include:

- Consideration & Resolution of the grievances of security holders of the Company;
- Reviewing of Transfer / Transmission requests / Demat / Remat requests of the security shareholders and issuance of duplicate share certificate, if any.

Composition of the Stakeholders Relationship Committee as on 31st March, 2023 is as follows:

Sr. No.	Name of the Director	DIN	Position in the Committee
1.	Mr. Hargovind Sachdev	08105319	Member (Independent Director)
2.	Ms. Gayathri Muttur Nagaraj	06742638	Member & Chairman (Independent Director)
3.	Mr. Vishal Dang	07971525	Member (Whole Time Director)

*Mr. Ravi Kanth Kothuru who was an Independent Director and Member of Stakeholder Relationship committee resigned from the Company with effect from October 22, 2022.

* Mrs. Shweta Aggarwal who was an Independent Director and member of the Stakeholder Relationship Committee resigned from the Company with effect from June 25, 2022.

Meetings of the Stakeholders Relationship Committee:

During the year the Stakeholders Relationship Committee met 04 (Four) times. The details of the meeting held during the year ended March 31, 2023 along with the attendance of Directors are as follows:

S.No.	Date of Meeting	Total Number of members of the Committee associated as on the date meeting	Attendance	
			Numbers of Directors Attended	% of Attendance
1.	09/04/2022	3	3	100
2.	09/07/2022	2	2	100
3.	12/10/2022	4	4	100
4.	17/01/2023	3	3	100

Independent Directors Meeting

The Independent Directors met on 31st March, 2023, without the attendance of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairman of the Company, taking into account the views of Executive Director and Non- Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

As per the provisions of the Companies Act, 2013 read with Schedule IV, following are the Independent Directors of the Company as on 31st March, 2023:

Sr. No.	Name of member	DIN	Position
1.	Mr. Hargovind Sachdev	08105319	Independent Director
2.	Ms. Gayathri Muttur Nagaraj	06742638	Independent Director

Particulars of Employees U/S 197(12) of the Companies Act, 2013

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and (3) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant details are furnished below:

Name of the Director / Employee	Vishal Dang	Kamal Batra
Designation	Whole-Time Director	Chief Financial Officer
Remuneration received	INR 6,00,000	INR 3,00,000
Nature of employment, whether contractual or otherwise	Permanent employee	In Full time Employment
Date of commencement of employment	08.05.2020	13.11.2020
The age of such employee	33	60
The last employment held by such employee before joining the Company	-	-
The percentage of equity shares held by the employee in the Company	7.56%	-
Whether any such employee is a relative of any director	-	-

Notes:

1. There were confirmed employees on the rolls of the Company as on 31st March 2023-**08 employees**

2. Median remuneration of employees of the Company during the financial year 2022-2023 was **NIL**

Auditors

a) Statutory Auditor

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, the statutory auditors of the Company, M/s VSSA & Associates, Chartered Accountants (Firm Registration Number: 012421N) having Regd. Office at A-1/255, Safdarjung Enclave, New Delhi-110029 was appointed for the second term by the members at the 34th Annual General Meeting to hold office until the conclusion of the 39th Annual General Meeting,

The notes on accounts referred to in the auditors' report are self-explanatory and therefore don't call for any further comments by the Board of Directors. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification or explanation.

During the year under review, the Company has not reported any fraud mentioned under Section 143(12) of the Act.

b) Secretarial Auditor

In terms of Section 204 of the Act and Rules made there under, M/s Anuj Gupta & Associates, Practicing Company Secretaries were appointed as Secretarial Auditors for the financial year 2022-23. The Secretarial Audit Report for the financial year ended on March 31, 2023 is annexed herewith marked as "**Annexure-II**" to this Report.

There are no qualifications or adverse remarks in the Secretarial Auditors' Report which require any clarification or explanation except the below mentioned observations:

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors, subject to the following observations:

Since October 10, 2022, Company had not duly constituted the Nomination and Remuneration Committee.

Board's Comments

The Board has considered the remark given by the Secretarial Auditor of the Company in its Secretarial Audit Report for the financial year ended 31st March 2023. The management undertakes to comply with the aforesaid compliance as soon as possible.

c) Internal Auditor

In terms of Section 138 of the Act and Rules made there under, M/s Sapra Sharma & Associates LLP, Chartered Accountants were continued their Office as Internal Auditors for the financial year 2022-23, for consecutive 3 years with effect from 16.09.2022.

Management Discussion and Analysis Report

As per SEBI Listing Regulations, Management Discussion and Analysis are attached, which form part of this report annexed herewith at **Annexure No. II**.

Internal Financial Control System

According to Section 134 (5) (e) of the Companies Act, 2013, the term financial control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate Internal Financial Control System which ensures that all the assets are safeguarded and protected and the transactions are authorized, recorded and reported correctly.

To further strengthen the internal control process, the Company has developed the very comprehensive compliance management tool to drill down the responsibility of the compliance from top management to executive.

Risk Management

During the year, The Board had developed and implemented an appropriate risk management policy for identifying the element of risk which, in the opinion of the Board may threaten the existence of the Company and safeguarding the Company against those risks.

Conservation of Energy, Research and Development, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars as per the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption is as under:

(A) Conservation of Energy

Steps taken or impact on conservation of energy	N.A.
The steps taken by the Company for utilizing alternate sources of energy	
The capital investment on energy conservation equipment's	

(B) Technology Absorption

1. Efforts made towards technology absorption: N.A.
2. Benefits derived like product improvement, cost reduction, product development or import substitution: N.A.
3. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-

Details of technology imported	N.A.
Year of Import	
Has technology been fully absorbed	
If not fully absorbed, areas where absorption has not taken place, and the reasons thereof	

4. **Expenses incurred on Research and Development**

During the period under review particulars regarding expenditures on research and development are as under:

Particulars	N.A.
Capital Expenditures	
Recurring Expenditures	
Total	
Total Research and development expenses as % of turnover	

5. **Foreign exchange earnings and Outgo-**

The Foreign Exchange earned in terms of actual inflows during the year- NIL

The Foreign Exchange outgo during the year in terms of actual outflows- NIL

Vigil Mechanism / Whistle Blower Policy

As per the provisions of Companies Act, 2013, every Listed Company shall establish a vigil mechanism (similar to Whistle Blower mechanism). In pursuance of the provisions of Section 177(9) & (10) of the Companies Act, 2013, a vigil mechanism/ whistle blower policy for Directors and employees to report genuine concerns has been established and approved by Board.

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, integrity and ethical behavior.

The Vigil Mechanism – cum – Whistle Blower Policy may be accessed on the Company's website at the link: <https://isflimited.in/policies.php>

The following is a summary of Protected Disclosures received and disposed off during the year 2022-23:

No. of Protected Disclosures received	:	NIL
No of Protected Disclosures disposed off	:	NIL

The Audit Committee oversee the Vigil Mechanism of the Company. The employees of the Company have the right to report their concern/grievance to the Audit Committee constituted by the Board of Directors to oversee the Vigil mechanism.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

Details of significant and material orders by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

There was no significant order was passed by any regulatory authority or court or tribunal.

Code of Conduct and Ethics

The Board of Directors of the Company has adopted a Code of Conduct and Ethics for the Directors and Senior Executives of the Company. The object of the Code is to conduct the Company's business ethically and with responsibility, integrity, fairness, transparency and honesty. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow Directors and with the environment in which the Company operates.

Annual Return

As per the requirements of Section 92(3) of the Companies Act and Rules framed thereunder, the extract of the Annual Return is available on website of the Company i.e., <https://isflimited.in/Financial-Statements.php>

Corporate Governance

Pursuant to Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the provisions of Corporate Governance shall not apply, in respect of- The listed entity having paid up equity share capital not exceeding rupees Ten (10) crores and net worth not exceeding rupees Twenty-five (25) crores, as on the last day of the previous financial year;

Since the equity share capital and net worth of the company are not exceed Rs. 10 crore and Rs. 25 crores respectively, as on the last day of the previous financial year of the Company and Accordingly the reporting requirements like Corporate Governance, Related Party Transaction and Report Business Responsibility Report etc. are not applicable to the Company.

Therefore, pursuant to Regulation 15(2) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 the company is not required to mandatorily comply with the provisions of corporate governance report to be annexed with the Board Report.

Information Required under Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) act, 2013

Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. No complaints of sexual harassment were raised in the financial year 2022-23.

Compliance of Secretarial Standards

During the year, the applicable Secretarial Standards i.e. SS -1 and SS-2 relating to "Meeting of Board of Directors" and "General Meetings" respectively have been duly complied.

Risk Management Policy

During the year, The Board had developed and implemented an appropriate risk management policy for identifying the element of risk which, in the opinion of the Board may threaten the existence of the company and safeguarding the company against those risks.

Proceedings pending under the Insolvency and Bankruptcy Code, 2016

No application has been made or any proceeding is pending under the IBC, 2016.

Difference in Valuation

The company has not taken any loan from Banks and Financial Institution and hence this clause is not applicable.

Acknowledgement

The Board of Directors would like to place on record their gratitude for the guidance and co-operation extended by RBI and the other regulatory authorities.

The Board takes this opportunity to express its sincere appreciation for the excellent patronage received from the Banks and Financial Institutions and for the continued enthusiasm, total commitment, dedicated efforts of the executives and employees of the Company at all levels. We are also deeply grateful for the continued confidence and faith reposed on us by all the Stakeholders including Shareholders, Depositors etc.





2022-2023



MANAGEMENT DISCUSSION AND ANALYSIS

Global Economy

India entered FY2023 amidst uncertain macroeconomic environment the threat posed by the Omicron coronavirus subtype quickly subsided but at the same time geopolitical conflicts arose between Russia and Ukraine. In addition to that, China's decision to continue lockdown in its cities due to the increasing number of Covid cases had a detrimental impact on the global supply chain. This led to significant increase in oil and food prices which in turn led to rise in inflation across the global economies.

Global GDP growth in 2023 is projected to be 2.7%, the lowest annual rate since the global financial crisis, with the exception of the 2020 pandemic period. A modest improvement to 2.9% is foreseen for 2024. Annual OECD GDP growth is projected to be below trend in both 2023 and 2024, although it will gradually pick up through 2024 as inflation moderates and real incomes strengthen.

The World Bank halved its previous 2024 US growth forecast to 0.8 percent, and cut China's forecast by 0.4 percentage point to 4.6 percent.

The International Monetary Fund (IMF) has raised its growth forecast for the global economy to 3 percent in 2023. About 93 per cent of advanced economies are projected to have lower growth in 2023, and growth in 2024 among this group of economies is projected to remain at 1.4 per cent. The institution said in emerging markets and developing economies, the growth outlook was broadly stable for 2023 and 2024, although with notable shifts across regions.

In most economies, the priority remains achieving sustained disinflation while ensuring financial stability. Therefore, central banks should remain focused on restoring price stability and strengthen financial supervision and risk monitoring. Should market strains materialize, countries should provide liquidity promptly while mitigating the possibility of moral hazard. They should also build fiscal buffers, with the composition of fiscal adjustment ensuring targeted support for the most vulnerable. Improvements to the supply side of the economy would facilitate fiscal consolidation and a smoother decline of inflation toward target levels.

Indian Economy

The Indian economy demonstrated an exceptional performance during FY 2022-23, positioning itself as one of the fastest-growing economies.

The Asian Development Bank (ADB) projects growth in India's gross domestic product (GDP) to moderate to 6.4% in fiscal year (FY) 2023 ending on 31 March 2024 and rise to 6.7% in FY2024, driven by private consumption and private investment on the back of government policies to improve transport infrastructure, logistics, and the business ecosystem.

IMF raises India's 2023 GDP growth forecast to 6.1%. The world economic situation of India, the largest economy in the south Asian region expanded by 5.08 percent in 2023 and 6.7 percent in 2024 supported by resilient domestic demand.

The union budget 2023-24 proposes to spend Rs 45,03,097 crore in the financial year. Out of the total expenditure, revenue expenditure is estimated to be Rs 35,02,136 crore (1.2% increase from revised estimates of 2022-23). Interest expenditure is 41% of revenue receipts. Capital expenditure is estimated to be Rs.,10,00,961 crore, a 37.4% increase from revised estimates of 2022-23. The increase in capital expenditure is driven by higher outlay on transport infrastructure and capital loans to states. Revenue deficit in 2023-24 is targeted at 2.9% of GDP, which is lower than the revised revenue deficit of 4.1% in 2022-23. Fiscal deficit in 2023-24 is targeted at 5.9% of GDP, lower than the revised fiscal deficit of 6.4% in 2022-23.

The Reserve Bank of India (RBI) has raised its benchmark repo rate by 250 basis points (bps) since May last year and economists expect it to leave the rate unchanged for the rest of 2023 as it waits to see the impact of earlier hikes.

The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) decided to leave the repo rate unchanged at 6.5%. Inflation is likely to exceed the central bank's upper target limit of 6% until early Current Year 2023, but it may gradually decrease once higher interest rates are implemented.

Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

Private Consumption as a percentage of GDP stood at 58.4 per cent in Q2 of FY23, the highest among the second quarters of all the years since 2013-14, supported by a rebound in contact-intensive services such as trade, hotel and transport, which registered sequential growth of 16 per cent in real terms in Q2 of FY23 compared to the previous quarter.

The Indian economy expanded 6.1% year-on-year in Q1 2023, higher than an upwardly revised 4.5% in Q4 2022 and well above market forecasts of 5%. The expansion was mainly boosted by private consumption, services exports and manufacturing amid easing input cost pressures. Also, services have emerged as a major driver, comprising more than half of GDP. Private spending rose at a faster 2.8% (vs 2.2% in Q4 2022), public expenditure rebounded (2.3% vs -0.6%), GFCF rose faster (8.9% vs 8%), stocks recovered (5.9% vs -0.1%), and exports (11.9% vs 11.1%) increased way more than imports (4.9% vs 10.7%). On the production side, the manufacturing sector grew for the first time in three quarters (4.5% vs -1.4%) and faster increases were recorded for the farm sector (5.5% vs 4.7%), construction (10.4% vs 8.3%), financial and real estate (7.1% vs 5.7%), and public administration (3.1% vs 2%). GDP Growth for the 2022-23 fiscal year was revised higher to 7.2% from 7%

The most important and the fastest growing sector of Indian economy are services. Trade, hotels, transport and communication; financing, insurance, real estate and business services and community, social and personal services account for more than 60 percent of GDP. Agriculture, forestry and fishing constitute around 12 percent of the output, but employs more than 50 percent of the labor force. Manufacturing accounts for 15 percent of GDP, construction for another 8 percent and mining, quarrying, electricity, gas and water supply for the remaining 5 percent.

Growth is inclusive when it creates jobs. Both official and unofficial sources confirm that employment levels have risen in the current financial year. The Periodic Labour Force Survey (PLFS) shows that the urban unemployment rate for people aged 15 years and above declined from 9.8 per cent in the quarter ending September 2021 to 7.2 per cent one year later (quarter ending September 2022). This is accompanied by an improvement in the labour force participation rate (LFPR) as well, confirming the emergence of the economy out of the pandemic induced slowdown early in FY23. Job creation appears to have moved into a higher orbit with the initial surge in exports, a strong release of the “pent-up” demand, and a swift rollout of the capex. Since export growth is plateauing and the “pent-up” release of demand will have a finite life, it is essential that capex continues to grow to facilitate employment in the economy, at least until such time the global economy rebounds and, through the export channel, provides an additional window to India for job creation. Thankfully, the private sector has all the necessary pre-conditions lined up to step up to the plate and do the capex heavy lifting. Their internal resource generation is good, capacity utilisation is high, and the demand outlook continues to improve. Capital markets are willing to finance new investments, as are financial institutions.

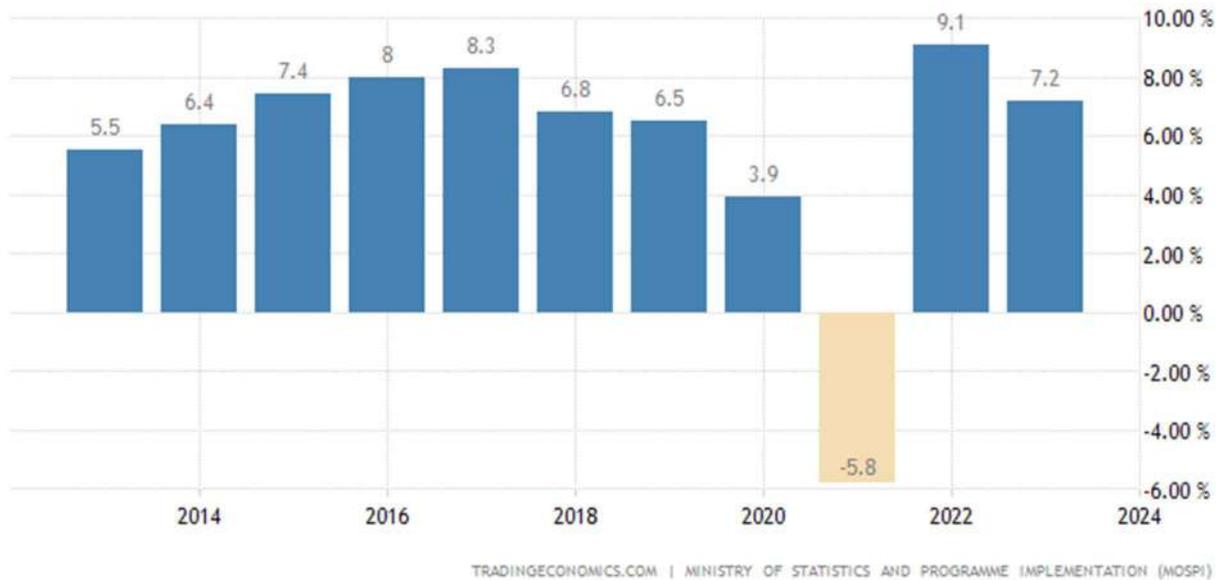
The Government's continued focus on infrastructure development, coupled with rising private investment, is providing the necessary momentum for the country's economy to

flourish, backed by robust GST collections and forex reserves. The total gross collection for FY 2022-23 stands at Rs. 18.10 Lac crore with revenue increased by 22% that FY 2021-22. Way forward the

GST collections would grow in the coming years and will be utilised in the economic development. The forex reserve stood at USD 595.976 Billion in the first week of May 2023 marking second consecutive weekly rise in reserves. However, a high degree of synchronisation between India's growth cycle with advanced countries urges to remain cautious about plausible hindrances. This could have a significant impact on India's deepening trade and financial connections with advanced economies.

Enterprises in the services and infrastructure sectors exhibit rising optimism about the overall business situation with higher selling prices anticipated to drive profit margin improvement. Investment activity exhibited buoyancy on the back of the Government's thrust on infrastructure spending, high-capacity utilisation, and revival in corporate investment in certain key sectors.

INDIAN ECONOMY GDP GROWTH RATE (In %)



(Source:<https://tradingeconomics.com/india/gdp#:~:text=GDP%20in%20India%20is%20expected,according%20to%20our%20econometric%20models>).

Source:<https://www.worldbank.org/en/news/press-release/2023/04/04/indian-economy-continues-to-show-resilience-amid-global-uncertainties>

Industry Overview

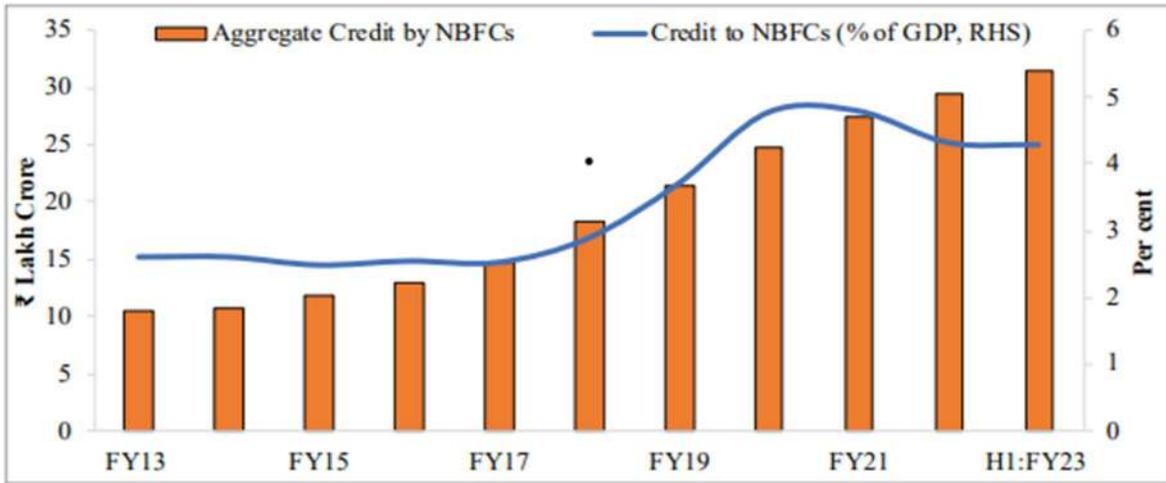
Non-Banking Financial Corporations (NBFCs) have emerged as the primary source of financing for a vast section of the population including small and medium-scale enterprises as well as the economically unserved and underserved individuals.

They are financial institutions that provide a wide range of banking services like loans, credit facilities, investments, and other financial products. NBFCs have played a significant role in the Indian economy's growth story, especially in the rural and semi-urban areas.

NBFCs are increasingly focusing on digitization including the usage of chatbots to improve customer service, providing digital solutions, and increasing partnerships with fintechs. With the help of tools such as eKYC (Electronic Know Your Customer), e-signature, and Aadhaar-based verification, NBFCs have furthered the process of financial inclusion among the diverse Indian population. However, certain pitfalls stand in the way of the NBFC sector.

Credit extended by NBFCs is picking up momentum, with the aggregate outstanding amount at ₹31.5 lakh crore as of September 2022. NBFCs continued to deploy the largest quantum of credit from their balance sheets to the industrial sector, followed by retail, services, and agriculture. Loans to the services sector (share in outstanding credit being 14.7 per cent) and personal loans (share of 29.5 per cent) registered a robust double-digit growth.

After the pandemic decline, 2023 has brought growth for the NBFCs. It has demonstrated an innovative and resilient streak over the years which includes adapting efficiently even during the COVID-19 pandemic to avoid the revolving credit landscape. The market share of NBFCs has increased in the last few years with Asset Under Management (AUM) accounting for as much as 18% of the overall credit on March 2019, up from 12% in March 2008. A few challenges over the past three years lowered their share to 16% in fiscal 2022, with banks making bigger growth strides. The increase in NBFCs AUM from US\$ 44.02 billion (Rs. 3.6 lakh crore) in March 2008 to almost US\$ 330.21 billion (Rs. 27 lakh crore) in March 2022, and is expected to increase further, indicates the importance of the sector to overall credit delivery in the economy.



Source: <https://www.indiabudget.gov.in/economicsurvey/>

Note: Credit to NBFCs (per cent of GDP) for FY23 (H1) is estimated based on NSO's 1st AE for FY23 and credit by NBFCs as of September 2022.

Micro, Small and Medium Enterprises (MSME)

MSME sector is the backbone of India's development story, and it has been a major driver in the country's rise as the world's fifth largest economy. From employing millions of people to exporting billions of Make in India products, MSMEs have significantly lifted their role in Indian economy over the past decades. And now they are going to play a major role in helping India score more wins from the current makeover in global supply chain networks and accomplish her desire in 'Aatmanirbhar Bharat' or an economically self-reliant country.

Overall MSME revenue is expected to reach 1.36 times of the pre-pandemic (fiscal 2020) level in fiscal 2024. Margins are expected to be under pressure this fiscal but will cross pre-pandemic level in fiscal 2024. In long term, the segment will continue to offer attractive business opportunities for financiers. However, the challenge lies in spotting the sectors and clusters that have recovered fast since pandemic and are likely to offer the desired risk-adjusted returns. And that entails tracking the performance and riskiness of sectors and clusters on a timely basis.

Non-banking financing companies (NBFCs) have been another major driver in pushing more credit to the MSME sector, especially in the vast unbanked pockets of the country. In addition to building a wide network of distribution channels, they have embraced digitalization of processes, leveraged technology for data analytics and adopted unconventional credit underwriting practices to meet the requirements of the small businesses. Compared to banks, they have been more agile and have introduced personalized products and offerings based on the risk profiles and demands of different

segments of the sector. NBFCs are also striking partnerships with fintech players, banks and alternative lenders to extend credit and bundled products for businesses. While the banks still dominate the flow of term loans to the sector, NBFCs have taken a lead in providing unsecured loans.

Source: <https://www.crisil.com/en/home/our-analysis/reports/2023/03/crisil-research-sme-report-2023.html>

Source: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2022/11/role-of-nbfc-and-hfcs-in-driving-sustainable-gdp-growth-in-india.pdf>

Digital Lending

Digitization of the lending process brings a number of powerful benefits for banks, including better decisions, improved customer experience, and significant cost savings. It is also a complex and challenging project.

Digital lending opportunity is expected to grow at 17 per cent over the next few years creating massive business opportunity for the financial institutions, attributable to the increase in account aggregator model adoption, bureau coverage, data availability, fintech collaborations, higher government support and increasing internet penetration. While the digital lending ecosystem is evolving and banks are increasingly adopting innovative approaches in digital processes, NBFCs are playing at the forefront of partnered digital lending.

Source: <https://assets.kpmg.com/content/dam/kpmg/in/pdf/2022/11/role-of-nbfc-and-hfcs-in-driving-sustainable-gdp-growth-in-india.pdf>

Vehicle

The Indian commercial vehicle (CV) industry has recovered post the COVID-19 pandemic. According to the RBI, vehicle loans from banks have witnessed an impressive 137%. In F.Y. 2022-23, commercial vehicles witnessed the second-highest domestic sales growth in India. As per SIAM, the sales of overall Commercial Vehicles increased from 7,16,566 units in FY 2021-22 to 9,62,468 units in FY 2022-23, representing 34% substantial growth rate. Furthermore, the sales of Medium and Heavy Commercial Vehicles (MHCVs) increased from 2,40,577 units in FY 2021-22 to 3,59,003 units in FY 2022-23 indicating a growth of ~50%. Additionally, Light Commercial Vehicles increased from 4,75,989 units in FY 2021-22 to 6,03,465 units in FY-2022-23 indicating a growth of 27%. MHCVs' market share poised to grow further, driven by increased activity in the construction and infrastructure sectors, while truck utilization reached an all-

time high of 90%. LCVs' growth levels have been increased due to rural consumption and e-commerce. In F.Y. 2022-23, the CV industry in India is expected to witness positive volume growth of 22-24%, driven by positive demand drivers from multiple industries and growing freight movements.

In FY 2022-23, domestic sales of Personal Vehicles exhibited significant growth, primarily due to the improvement in sentiments and the ease in the supply of semi-conductors. This growth reflects a strong recovery after the pandemic-induced disruption, which adversely affected sales in FY 2021-22.

Car sales for fleet operations, including those to app-based cab aggregators such as Ola and Uber, nearly doubled last fiscal and are expected to significantly outpace overall industry growth to get closer to the pre-pandemic peak this year.

The industry estimates that 137,000 vehicles were sold to fleet operators in the last financial year, a growth of 95%

Source:https://economictimes.indiatimes.com//industry/auto/auto-news/car-sales-on-fleet-street-accelerate-95-infy23/articleshow/100085686.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

Source:<https://bfsi.economictimes.indiatimes.com/news/banking/vehicle-loan-growth-outpaces-home-loans-as-consumers-prioritise-cars-suvs-over-houses/101348063>

Company Overview

The Company is a prominent NBFC in the retail finance industry in India. ISF Limited focuses on solving the MSME funding Challenges across spectrum. The Company satisfy the clients' business expansion requirements, capital needs, diversification in another associated line of business, and seasonal stocking to seek the benefit of season sales.

ISF Limited has been on financing vehicles both commercial and for personal use We cater for all your needs New Cars, Used Cars, New Two Wheelers, Used Two Wheelers & both New and Used Commercial Vehicles

Along with the flexible tenure for loan payment, company also assures quick processing by instant online application procedure and minimal paperwork. Funding to the customers is decided on certain eligibility criteria.

The regulatory framework for NBFCs to introduce scale- based regulation came into effect from October 01, 2022. Under the new framework, NBFCs are placed in one of the four layers viz., Base Layer (BL), Middle Layer (ML), Upper Layer (UL) and a possible Top Layer (TL) based on their size, activity, and perceived risks. The new framework tightens regulatory oversight of

the sector with stringent norms for NBFCs. The Company has been classified as Base Layer under Scale Based Regulatory Framework for NBFCs.

SWOT Analysis

Strengths:

1. Understanding customer's approach;
2. Better services to individual as well as corporate customers;
3. Easy and simplified sanction procedure and disbursement;
4. Flexible operation & ability to innovate;
5. Experienced senior management team;
6. Strong relationships with other NBFCs, institutions and investors;
7. Smoothly and easily catering the need of Customer via our loan products inclusive of Term Loan, MSME Loan, Vehicle Loans, Loan Against Property (LAP), School Loan.

Weakness:

1. Weakness in urban markets due to disparities in public perception
2. Strong and dynamic competitors
3. Business and growth are directly linked with the GDP growth of the country.

Opportunities:

Opportunities in home equity, personal finance, personal investment, etc.

Collaboration with Banks.

Securitizing to collect funds to generate asset growth

No entry barriers or low entry barriers

Threats:

1. Competition from captive finance companies, small banks, FinTechs and new entrants.
2. Inadequate availability of bank finance and an upsurge in borrowing costs.
3. External risks associated with liquidity stress, political uncertainties, fiscal slippage concerns, etc.
4. Increasing competition from global and local competitors in terms of product development and technology innovations, leaving very thin margins of error.
5. Regulatory and compliance-related changes in the sector affecting NBFCs.

6. Growing commoditization of financial products remains the toughest challenge for the Company.

Internal control systems and their adequacy

The Company has carried out the internal audit in-house and has ensure that recording and reporting are adequate and proper, the internal controls exist in the system and that sufficient measures are taken to update the internal control system. The system also ensures that all transaction is appropriately authorized, recorded and reported. Exercises for safeguarding assets and protection against unauthorised use are undertaken from time to time. The Company's audit Committee reviewed the internal control system. All efforts are being made to make the internal control systems more effective. All these measures are continuously reviewed by the management and as and when necessary, improvements are affected.

Discussion on financial performance with respect to operational performance

The total revenue from operations of your Company for the year ended March 31, 2023 stood at Rs. 165.86 Lakh as against Rs. 163.50 Lakh for the year ended March 31, 2022. The Company has earned a profit (after tax) of Rs. 0.72 Lakh for the Year ended March 31, 2023 as compared to Rs. 58.92 Lakh for the year ended March 31, 2022.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India.

Future Strategy

The Board has determined the subsequent medium-term and long-term strategies to accomplish its corporate objectives within the upcoming 3-5 years:

1. Conduct periodic evaluations of pandemic risks, Business Continuity plan, and liquidity management.
2. Strengthen the leadership position in corporate financing.
3. Concentrate efforts on digital initiatives to efficiently cater to customers and educate them on the digital payment of EMIs.
4. Uphold customer loyalty through cultivating strong relationships and ensuring customer satisfaction.
5. Employ data analytics in loan disbursement and recovery procedures.
6. Enhance the loan portfolio's quality.

Cautionary Statement

Statements made in this Management Discussion and Analysis Report may contain certain forward-looking statements based on various assumptions on the Company's present and future business strategies and the environment in which it operates. Actual results may differ substantially or materially from those expressed or implied due to risk and uncertainties. These risks and uncertainties include national and global effect of economic conditions, political conditions, volatility in interest rates, changes in regulations and policies impacting Company's businesses and other related factors. The information contained herein is as referred. The Company does not undertake any obligation to update these statements. The Company has obtained the data and information referred here from sources believed to be reliable or from its internal estimates, the accuracy or completeness of which cannot be guaranteed.



For and behalf of ISF Limited

Date: 24.08.2023

Place: New Delhi

SD/-

Vishal Dang

Whole Time Director

DIN: 07971525

SD/-

Hargovind Sachdev

Director

DIN: 08105319

Anuj Gupta and Associates

(Company Secretaries)

<https://anuj-gupta-and-associates.business.site/>**SECRETARIAL AUDIT REPORT (FORM MR-3)
For the Financial Year Ended 31 March 2023**

**[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules,
2014]**

To,
The Members,
ISF Limited
(CIN: L74899DL1988PLC076648)
Add: Plot No-13, KH.No.33/7, Village Amberhai,
Pole No. J967, Sector-19, Dwarka, Delhi -110077

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by ISF 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 our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall 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.

Based on our 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 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 March 31, 2023 (hereinafter called the 'Audit Period') 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:



Office No. 3, Ground Floor,
102- G/1, Hari Nagar Ashram,
New Delhi, India- 110014
(Ashram Chowk, Near Punjab & Sindh Bank)

+91 11 3568 9887
+91 81786 00221

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

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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 thereunder to the extent of Overseas Direct Investment; (Foreign 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, 2015;
 - (c) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not Applicable to the Company during the Audit Period)
 - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
 - (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not Applicable to the Company during the Audit Period)
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not Applicable to the Company during the Audit Period);
 - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. ('Buy-back Regulations'); (Not Applicable to the Company during the Audit)
 - (j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (k) Other laws specifically applicable to the Company, namely:



Anuj Gupta
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(a) All the Rules, Regulations, Directions, Guidelines and Circulars issued by the Reserve Bank of India applicable to Non-Deposit Accepting Non-Banking Financial Companies which are specifically applicable to the Company.

(b) Credit Information Companies (Regulation) Act, 2005 and Rules.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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 subject to the following observations:

Since October 10, 2022, Company had not duly constituted the Nomination and Remuneration Committee.

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.

We report that as regards the compliance of Reg 17, 17A 18, 19, 20, 21,22, 23, 24, 24A 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply pursuant to Regulation 15 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company has been providing the non- applicability of Corporate Governance in the quarterly compliance report on Corporate Governance submitted to the Stock Exchange under Regulation 27(2)(a) of SEBI LODR, 2015.

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 for meetings other than those held at shorter notice, 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.

All decisions at Board Meetings and Committee Meetings are carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to



Arjun Gupta
CA

monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company no events which has bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

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

**For Anuj Gupta & Associates
(Company Secretaries)**



**CS Anuj Gupta
(Proprietor)**

**ICSI M. No.: A13025
ICSI CoP. No.: 13025**

**UDIN: A031025E000811860
ICSI Peer Review Certificate No. 1126/2021**

**Date: 17/08/2023
Place: New Delhi**

Annexure- A

To,
The Members,
ISF Limited
(CIN: L74899DL1988PLC076648)
Add: Plot No-13, KH.No.33/7, Village Amberhai,
Pole No. J967, Sector-19, Dwarka,
Delhi -110077

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

(1) Maintenance of secretarial records 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 process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test-check basis to ensure that correct facts are reflected in secretarial records. We believe that the process 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) Wherever 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 procedure on test-check 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 Anuj Gupta & Associates
(Company Secretaries)**



**CS Anuj Gupta
(Proprietor)**

**ICSI M. No.: A13025
ICSI CoP. No.: 13025**

**UDIN: A031025E000811860
ICSI Peer Review Certificate No. 1126/2021
Date: 17/08/2023
Place: New Delhi**



V S S A & ASSOCIATES
CHARTERED ACCOUNTANTS

A-1/255, Safdarjung Enclave,
New Delhi - 110029
Tel. : 9818629922
E-mail : vssaassociates@gmail.com

Independent Auditor's Certificate Regarding compliance of conditions of Corporate Governance

To the Members of

ISF LIMITED,

We have examined the compliance of conditions of Corporate Governance by **ISF LIMITED** for the year ended on 31st March, 2023 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V to the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations").

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143 (10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, quality control for firms that perform audits and reviews of Historical Financial Information and Other Assurance and Related Services Engagements.



Opinion

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31st, 2023, as referred to in paragraph 1 above.

We further state that such compliance 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 V S S A & Associates
Chartered Accountants
{Firm Registration No. 012421N}

Place: New Delhi
Dated: 27th May, 2023
UDIN: 23091309 BGXH @ J7083


CA Samir Vaid
Membership No. 091309
Partner





V S S A & ASSOCIATES
CHARTERED ACCOUNTANTS

A-1/255, Safdarjung Enclave,
New Delhi - 110029
Tel. : 9818629922
E-mail : vssaassociates@gmail.com

Independent Auditor's Report

To the Members of
ISF LIMITED

Report on the audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS Financial Statements of **ISF LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the 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 Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2023 and its profit, changes in Equity and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the 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 there-under, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the 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 that there are no key audit matters to communicate in our report.

Management's Responsibility for the 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, 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) prescribed 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 of 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 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.

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

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

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

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and 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.



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 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 outway 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 Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors, as on 31st March, 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 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) In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.



- 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 has disclosed the impact of pending litigations on its financial position in its Ind AS Financial Statements - refer Note 18 to Ind AS Financial Statements
 - 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 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
 - (iii) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances. Nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement
 - v) No dividend has been declared or paid during the year by the Company.
 - vi) As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f April 1, 2023, reporting under this clause is not applicable.

Place : New Delhi
Dated: 27th May, 2023

UDIN: 23071309BCIXHAK1615

For V S S A & Associates
Chartered Accountants
{Firm Registration No 012421N}



(CA Samir Vaid)
Partner

Membership No. 091309

Annexure A to the Independent Auditors' Report on the Ind AS Financial Statements of ISF LIMITED
(Referred to in paragraph 1 under Report on other Legal and Regulatory Requirements of our Report of even date)

- i. a) The Company does not have any Property, Plant and Equipments or intangible assets. Hence provisions of clauses (i)(a), (b), (c) and(d) of Paragraph 3 of the Order are not applicable.
b) As per 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.
- ii. a) The Company does not have any inventories. Hence the provisions of clause 3(ii)(a) of the Order are not applicable..
b) The Company does not have any borrowings from banks or financial institutions. Hence the provisions of clause 3 (ii)(b) of the Order are not applicable.
- iii. a) According to the information and explanations given to us and the records of the Company examined by us, the Company has neither made any investments nor provided any guarantee or security during the year. However, unsecured loans and advances in the nature of loans have been granted to companies, firms, Limited Liability Partnerships and any other parties during the year. As the Company is a NBFC , whose principal business is to give loans, the provisions of clause (iii)(a) of the Order are not applicable.
b) According to the information and explanations given to us and the records of the Company examined by us, no investments have been made or guarantees provided or security have been given during the year. However, in respect of loans and advances granted in the nature of loans, the terms and conditions thereof are not prejudicial to the Company's interest.
c) According to the information and explanations given to us and the records of the Company examined by us, in respect of loans and advances in the nature of loans given where schedule of repayment has been stipulated, the repayments or receipts are generally regular. However, in respect of unsecured loans which are repayable on demand without any stipulated schedule of repayment of principal and interest, the regularity in repayment of principal and interest cannot be commented upon..
d) According to the information and explanations given to us and the records of the Company examined by us, in respect of loans and advances in the nature of loans given where schedule of repayment has been stipulated, there are no amounts overdue outstanding for more than ninety days. However in respect of loans which are repayable on demand without stipulation of schedule of repayment, our comments on amounts overdue for more than ninety days are not required.
e) As the Company is NBFC engaged in business of giving loans, hence the provisions of clause (iii)(e) of the Order are not applicable.
f) According to the information and explanations given to us and the records of the Company examined by us, the loans and advances in the nature of loans given during the year either repayable on demand or without specifying any terms or period of repayment are aggregating to Rs25 lakhs which comprise 10.05% of the total loans granted. There are no loans to promoters and related parties as defined in Section 2(76) of the Companies Act, 2013 granted during the year.



- iv. In our opinion and according to the information and explanations given to us, in respect of loans given, the provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with. There are no investments, guarantees and security given by the Company to which provisions of Sections 185 and 186 are applicable.
- v. As per information and explanations given to us and the records of the Company examined by us, the Company has not accepted any deposits. Further there are no amounts which are deemed to be deposits. As per information and explanations given to us, no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or other tribunal.
- vi. In our opinion and as per information and explanations given to us, maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Companies Act.
- vii. a) According to the information and explanations given to us and the records of the Company examined by us, the Company has been generally regular in depositing undisputed statutory dues, including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs Tax, Duty of Excise, Value added Tax, Cess and other statutory dues with the appropriate authorities during the year to the extent applicable. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they become payable.
 b) In respect of statutory dues referred to in sub-clause (a) above, the following statutory dues have not been deposited on account of dispute, details thereof are given below:

Nature Of dues	Amount (Rs lakhs)	Period to which amount relates	Forum where the dispute is pending
Income Tax	2.67	2008-2009	Assessing Officer
Income Tax	2.57	2020-2021	CPC Bengaluru
Withholding Tax	1.43	2020-21 and prior years	Assessing Officer:TDS

- viii. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not surrendered or disclosed any transaction, as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), which is not recorded in the books of accounts.
- ix. a) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any borrowings from banks, financial institutions and Government. Hence our comments on defaults in repayment of loans or interest thereon are not required.
 b) According to the information and explanations given to us and the records of the Company examined by us, the Company is not declared as a wilful defaulter by any bank or financial institution or other lender.
 c) According to the information and explanations given to us and the records of the Company examined by us, the Company has not obtained any term loans. Hence our comments on application of the same are not required.



- d) According to the information and explanations given to us and the records of the Company examined by us, funds been raised by the Company on short term basis in the form of unsecured loans from related parties and others have not been used for long term purposes.
- e) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture. Hence the provisions of clause 3 (ix)(e) of the Order are not applicable.
- f) According to the information and explanations given to us and the records of the Company examined by us, the Company does not have any subsidiary, associate or joint venture. Hence the provisions of clause 3 (ix)(f) of the Order are not applicable.
- x. a) According to the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- b) According to the records of the Company examined by us the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- xi. a) According to the information and explanations given to us and the records of the Company examined by us, no fraud by the Company and fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) The Company has neither informed us nor we have come across any whistle-blower complaints received during the year by the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clauses 3 (xii)(a),(b) and (c) of the Order are not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with sections 177 and 188 of the Companies Act ,where applicable and the details have been disclosed in the financial statements etc, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has appointed a firm of Chartered Accountants to do internal audit periodically. The internal audit system is commensurate with the size and nature of business of the Company. Further, the reports of the internal auditors during the period under audit were considered by us.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them and hence provisions of clause 3(xv) of the Order are not applicable to the Company.
- xvi. a) In our opinion and according to the information and explanations given to us, the Company required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) which is obtained.
- b) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company has not conducted any Non-Banking Financial business without a valid Certificate of Registration (COR) from the Reserve Bank of India. No Housing Finance Activities have been conducted by the Company during the year.



- c) In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India therefore, the provisions of clause 3(xvi)(c) and (d) of the Order are not applicable to the Company.
- xvii. According to the records of the Company examined by us, the Company has not incurred any cash losses in the financial year and immediately preceding financial year.
- xviii. There has been no resignation of statutory auditors during the year.
- xix. In our opinion and according to the information and explanations given to us and based on our examination of the records of the Company and on the basis of financial ratios, ageing and expected date of realization of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans, no material uncertainty exists as on the date of 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.
- xx. In our opinion and according to the information and explanations given to us and based on our examination of the records, the provisions of Corporate Social Responsibility are not applicable to the Company. Hence our comments on clauses (xx)(a) and (b) of Paragraph 3 of the Order are not required.
- xxi. In our opinion and according to the information and explanations given to us the Company does not prepare Consolidated Financial Statements. Hence our comments on qualifications or adverse remarks are not required.

Place : New Delhi
Dated: 27th May, 2023
UDIN : 23091209BA44AK165

For V S S A & Associates
Chartered Accountants
{Firm Registration No 012421N}


(CA Samir Vaid)
Partner
Membership No. 091309

Annexure B to the Independent Auditor's Report of even date on the Financial Statements of ISF LIMITED

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 **ISF LIMITED** ("the Company") as of 31st March, 2023 in conjunction with our audit of the 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 ("the 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.

Auditor's 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, 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 both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 Financial Statements for external purposes in accordance with Generally Accepted Accounting Principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial 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 31st March, 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.

Place : New Delhi
Dated: 27th May, 2023
UDIN: 23091309BAXHQK1615

For V S S A & Associates
Chartered Accountants
(Firm Registration No 012421N)



(CA Samir Vaid)
Partner
Membership No. 091309

ISF LIMITED
BALANCE SHEET AS AT 31ST MARCH 2023

(In Rupees Lakhs)
As at
31-03-2022

Particulars	Note No.	As at 31-03-2023		As at 31-03-2022	
ASSETS					
1 Financial Assets					
(i) Cash and cash equivalents	2	15.73		51.93	
(ii) Loans	3	1,567.12		1,480.73	
(iii) Other Financial Assets-Security Deposit		0.40	1,583.25	-	1,532.66
2 Non Financial Assets					
Advances	4	21.43	21.43	8.67	8.67
Total Assets		1,604.68		1,541.33	
LIABILITIES AND EQUITY					
1 Financial Liabilities					
(i) Trade payables	5	2.67		1.17	
(ii) Borrowings	6	183.53		98.76	
(iii) Other financial liabilities	7	0.92	187.12	4.60	104.53
2 Non Financial Liabilities					
Current Tax liabilities	8		0.96		20.93
3 EQUITY AND LIABILITIES					
Equity					
i) Equity Share Capital	9	950.00		950.00	
ii) Other Equity	10	466.60	1,416.60	465.87	1,415.87
Total Equity and Liabilities		1,604.68		1,541.33	

See accompanying notes to the financial statements 1 to 41

As per our report of even date attached
For V S S A & Associates
(Firm Registration No 012421N)
Chartered Accountants

For & on behalf of the Board

CA Samia Vaid
Partner
M. No. 091309
UDIN: 22091309 BQHA KBIS

Place : New Delhi
Dated : 27.05.2023

For ISF LIMITED

For ISF LIMITED

For ISF LIMITED

Vishal Dang
Director
DIN: 07971525

Hargovind Sachdev
Director
DIN: 08105319

Gayathri Muttur
Director
DIN: 06742638

Vijay Gupta
CFO



Renu
Company Secretary

ISF LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

Particulars	Note No.	(In Rupees Lakhs)	
		Year Ended 31-03-2023	Year Ended 31-03-2022
I Revenue from Operations	11	165.86	163.50
II Other Income	12	12.13	0.19
III Total Income (I+II)		<u>177.99</u>	<u>163.69</u>
IV EXPENSES			
Finance costs	13	3.00	9.27
Employee benefits expense	14	29.10	19.72
Other expenses	15	141.65	51.41
Total Expenses		<u>173.75</u>	<u>80.40</u>
V Profit before tax		4.24	83.29
VI Tax expense:			
Current		(1.11)	(21.68)
Earlier Year		(2.41)	(2.69)
Deferred tax		0.00	0.00
VII Profit for the year (V-VI)		<u>0.72</u>	<u>58.92</u>
VIII Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		0.00	0.00
(ii) Income tax relating to items that will not be reclassified to profit or loss		0.00	0.00
Total Other Comprehensive Income		0.00	0.00
IX Total Comprehensive Income (VII+VIII)		<u>0.72</u>	<u>58.92</u>
X Earning Per Equity Share	21		
Basic (Rs.)		0.0008	0.0620
Diluted (Rs.)		0.0008	0.0620

See accompanying notes to the financial statements '1 to 41

As per our report of even date attached
For V S S A & Associates
(Firm Registration No 012421N)
Chartered Accountants



CA Samir Vaid
Partner
M. No. 091309
UDIN: 23091309BCXHA51615

Place: New Delhi
Dated: 27.05.2023

For & on behalf of the Board

For ISF LIMITED

Vishal Dang
Director
DIN: 07971525

Vijay Gupta
CFO

FOR ISF LIMITED

For ISF LIMITED

Hargovind Sachdev
Director
DIN: 08105319

Director
Gayathri Muttur
Nagaraj
Director
DIN: 06742638

Renu
Company Secretary

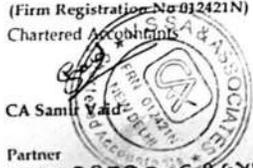


ISF LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 March 2023
(In Rupees Lakhs)

	Year Ended 31.03.2023	Year Ended 31.03.2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax Exceptional & Extraordinary items	4.24	83.29
Adjustments for:		
Other Comprehensive Income	0.00	0.00
Depreciation	0.00	0.00
(Profit)/loss on sale of fixed Assets & Assets Discarded (Net)	0.00	0.00
Interest Paid	3.00	9.27
Interest received	(165.86)	-163.50
Operating Profit before working capital changes	(158.61)	(70.94)
Adjustments for:		
Trade and Other Receivables	(99.51)	(74.40)
Trade Payable and Other Liabilities	(22.14)	(2.97)
Interest Received	165.86	163.50
Cash Generated from Operations	(114.45)	15.18
Direct Taxes Paid (including deferred tax)	(3.52)	(24.36)
Cash Flow before extraordinary items	(117.97)	(9.18)
B CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets, Including capital work in progress		0.00
Purchase of Investments		0.00
Sale of Fixed Assets	0.00	0.00
Interest received		0.00
Net Cash used in Investing Activities	0.00	0.00
C CASH FLOW FROM FINANCING ACTIVITIES:		
Net proceeds of Short Term Borrowings	84.77	60.40
Interest Paid	(3.00)	(9.27)
Net Cash from Financing Activities	81.77	51.14
Net Increase in Cash and Cash Equivalents (A+B+C)	(36.20)	41.96
Cash and Cash Equivalents as at 1st April, Opening Balance	51.93	9.97
Cash and Cash Equivalents as at 31st March, Closing Balance	15.73	51.93

Note: Figures in brackets represent outflow.

As per our report of even date attached
For V S S A & Associates
(Firm Registration No 012421N)
Chartered Accountants



CA Samir Yadav
Partner
UDIN: 23091309B4XMAK1615
Place : New Delhi
Dated : 27.05.2023

For & on behalf of the Board

<p>For ISF LIMITED</p> <p>Vishal Dang Director DIN: 07971525</p>	<p>For ISF LIMITED</p> <p>Hargovind Sachdev Director DIN: 08105319</p>	<p>For ISF LIMITED</p> <p>Gayathri Muttur Director DIN: 06742638</p>
<p>Renu CFO</p>	<p>Renu Company Secretary</p>	

ISF LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2023

(In Rupees Lakhs)

A. EQUITY SHARE CAPITAL

As at April 1, 2021	950.00
Changes in equity share capital	0.00
As at March 31, 2022	950.00
Changes in equity share capital	0.00
As at March 31, 2023	950.00

B. OTHER EQUITY

	Reserves and Surplus				Total
	Capital Reserve	General Reserve	Retained Earnings	Reserve Fund	
Balance as at April 1, 2021	75.00	18.91	241.30	71.74	406.95
Addition during the year	0.00			15.68	15.68
Profit for the year	0.00		58.93	0.00	58.93
Other Comprehensive income for the year	0.00	0.00	0.00	0.00	0.00
Total comprehensive Income for the year	0.00	0.00	0.00	0.00	0.00
Deletion during the year			(15.68)		(15.68)
Balance as at March 31, 2022	75.00	18.91	284.55	87.42	465.88
Addition during the year				0.15	0.15
Profit for the year	0.00	0.00	0.72	0.00	0.72
Other Comprehensive Income for the year	0.00	0.00	0.00	0.00	0.00
Total comprehensive Income for the year	0.00		0.72	0.15	0.72
Deletion during the year			(0.15)		(0.15)
Balance as at March 31, 2023	75.00	18.91	285.13	87.57	466.60

As per our report of even date attached

For V S S A & Associates
(Firm Registration No 012421N)

Chartered Accountants

For & on behalf of the Board

CA Sumir Vaid
Partner
M. No. 09150915
UDIN: 23091309B4X#AK1615

For ISF LIMITED
For ISF LIMITED
For ISF LIMITED
Gayathri Nagaraj
Director

Vishal Dang
Director
DIN:07971525
Hargovind Sachdev
Director
DIN:08105319
Gayathri Nagaraj
Director
DIN:06742638

Place: New Delhi
Dated: 27.05.2023

Vijay Gupta
CFO

Renu
Company Secretary



ISF LIMITED

(In Rupees Lakhs)
As at
31-03-2022

As at
31-03-2023

2 Cash and cash equivalents

(a) Balances with Banks:

In Current accounts (including Rupees 0.46 lakhs unconfirmed)

12.37

51.42

In Equity warrant account (unconfirmed)

0.19

0.19

(b) Cash on Hand (as certified)

3.17

0.32

15.73

51.93

3 Loans

Unsecured considered good:

Others

1567.12

1480.73

1567.12

1480.73

4 Advances

Unsecured considered good

Advances against supply of goods & services

18.99

7.61

Advances to Statutory Authorities

2.44

1.07

21.43

8.67

5 Trade Payables

Micro, Small and Medium Enterprises (Refer Note 24)

0.00

0.00

Others

2.67

1.17

2.67

1.17

Trade Payables ageing Schedule (Due for payment for the year ended as on 31st March 2023 and 31st March 2022)

	Less than 1 year	1-2 years	2-3 year	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	-	-	-	-	-
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-
Total	-	-	-	-	-
Add :Accrued Expenses	-	-	-	-	2.67
	-	-	-	-	(1.17)

6 Borrowings

Unsecured Loans repayable on demand:

From related parties*

174.45

98.76

From a company

9.08

183.53

98.76

* including Rs. 6.24 lakhs due to an ex director

7 Other Financial Liabilities

Accrued salaries and benefits

0.92

3.53

Statutory dues

-

1.07

0.92

4.60

8 Current Tax Liabilities

Provision for Income Tax (Net of Tax Deducted At Source)

0.96

20.93

0.96

20.93



Gayathri. S. N

ISF LIMITED

(In Rupees Lakhs)

	<u>As at</u> <u>31-03-2023</u>	<u>As at</u> <u>31-03-2022</u>
9 Equity Share Capital		
Authorised Share Capital		
35000000 (350000000) Equity Shares of Rs. 1 each	3,500.00	3,500.00
	<u>3,500.00</u>	<u>3,500.00</u>
Issued, Subscribed and Paid up		
9500000(95000000) Equity Shares of Rs. 1 each fully paid	950.00	950.00
	<u>950.00</u>	<u>950.00</u>

The Company has only one class of issued shares referred to as equity shares having a par value of Rs 1 each. Each holder of Equity Shares is entitled to one vote per share held.

The Company declares and pays dividends in Indian Rupees. The Dividend proposed by the Board of Directors is subject to the approval of Shareholders in the ensuing General Meeting except in case of interim dividend.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

The details of Shareholders holding more than 5% of the aggregate shares in the Company:-

NAME OF SHAREHOLDER	As at 31-03-2023		As at 31-03-2022	
	No. of shares	% held	No. of shares	% held
Prem Kumar Jain	87,89,910	9.25	8789910	9.25
Kamal Kant Dang	57,27,384	6.03	7586910	7.99
Vishal Dang	71,84,910	7.56	7184910	7.56
Payal Garg	33,77,043	3.55	6897910	7.26
Mohit Jain	37,46,242	3.94	5655000	5.95
Ashish Jain	27,97,774	2.95	5285000	5.56

DETAILS OF SHAREHOLDING OF PROMOTERS

NAME OF PROMOTER	As at 31st March, 2023		% Change	As at 31st March, 2022		% Change
	No. of shares	% held		No. of shares	% held	
SIMBAL SINGH	0	0.00	(-)100	253189	0.27	(-)67.98
Udayjit Singh	19990	0.02	0.00	19990	0.02	0.00
NEELAM TANEJA	490000	0.52	0.00	490000	0.52	0.00
SIMKA HOTELS AND RESORTS PRIVATE LIMITED	95590	0.10	0.00	95590	0.10	(-)97.93

Reconciliation of the Equity shares outstanding

Particulars	As at 31-03-2023		As at 31-03-2022	
	No. of shares	Amount (Rs. Lakhs)	No. of shares	Amount (Rs. Lakhs)
Balance at the beginning of the year	9,50,00,000	950	9,50,00,000	950.00
Issued during the year	0.00	0.00	0.00	0.00
Balance at the end of the year	9,50,00,000	950	9,50,00,000	950.00

No Dividend has been declared/paid during the current or preceding year.

10 Other Equity

General Reserve				
As per last Balance Sheet	18.91		18.91	
Capital Reserve				
Equity warrants forfeited	75.00		75.00	
Reserve Fund				
As per last Balance Sheet	87.42		71.74	
Add transferred from Statement of Profit & Loss	0.15	87.57	15.68	87.42
Retained Earnings				
As per last Balance Sheet	284.55		241.30	
Profit for the year	0.72		58.93	
Other comprehensive income for the year net of income tax	0.00		-	
	<u>285.27</u>		<u>300.22</u>	
Less transferred to Reserve Fund	0.15	285.13	15.68	284.55
	<u>466.60</u>		<u>465.87</u>	



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ISF LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

Particulars	(In Rupees Lakhs)	
	Year Ended 31-03-2023	Year Ended 31-03-2022
11 Revenue From Operations		
Income from Financing Operations		
Interest Income	152.80	154.99
Document and processing Charges	13.06	8.51
	<u>165.86</u>	<u>163.50</u>
12 Other Income		
Miscellaneous income	0.00	0.00
Bad Debts recovered	4.85	0.00
Liabilities & Provisions written back	7.28	0.19
	<u>12.13</u>	<u>0.19</u>
13 Finance Costs		
Interest on unsecured loans	2.98	9.19
Interest (Others)	0.02	0.08
	<u>3.00</u>	<u>9.27</u>
14 Employee Benefit Expense		
Salary, Wages, Allowances and Bonus	29.10	19.72
Staff Welfare Expenses	0.00	0.00
	<u>29.10</u>	<u>19.72</u>
15 Other Expenses		
Rent	1.98	3.05
Documentation charges	3.56	0.86
Payment to the Auditors:		
Statutory Audit	0.40	0.40
For Other Services	0.15	0.15
Legal & Professional Charges	8.37	30.16
Bad debts written off	118.23	2.59
Listing Fee	3.50	4.03
Business Promotion	0.00	5.23
Travelling & Conveyance	3.11	2.27
Miscellaneous Expenses	2.36	2.67
	<u>141.65</u>	<u>51.41</u>



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ISF LIMITED

16 a) Financial Instruments

(In Rupees in Lakhs)

	As at March 31 2023	As at March 31 2022
Financial assets at fair value		
Loans	1,567.12	1,480.73
Cash and cash equivalents	15.73	51.93
Total financial assets	1,582.85	1,532.66
Financial liabilities at fair value		
Borrowings	183.53	98.76
Trade payables	2.67	1.17
Other Financial Liabilities	0.92	4.60
Total financial liabilities	187.11	104.53

b) Fair Value Hierarchy

The Company determines the fair value of its financial instruments on the basis of the following hierarchy:

Level 1: The fair value of financial instruments that are quoted in active markets are determined on the basis of quoted price for identical assets or liabilities.

Level 2: The fair value of financial instruments that are not traded in an active market are determined using valuation techniques based on observable market data.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). Fair value of investment in unquoted equity shares is determined using discounted cash flow technique.

The carrying amounts of all financial instruments are considered to be the same as their fair values.

c) Financial Risk Management

In the course of its business, the Company is exposed to a number of financial risks: credit risk, liquidity risk etc. This note presents the Company's objectives, policies and processes for managing its financial risk and capital.

i) 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 customers.

Trade and other receivables

The Company's Trade Receivables are largely from Hire purchase Financing. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer.

The Company manages credit risk through credit approvals and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.



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ii) Liquidity Risk

Liquidity risk refers to risk that the Company may encounter difficulties in meeting its obligations associated with financial liabilities that are settled in cash or other financial assets. The Company regularly monitors the rolling forecasts to ensure that sufficient liquidity is maintained on an ongoing basis to meet operational needs. The Company manages the liquidity risk by planning the investments in a manner such that the desired quantum of funds could be made available to meet any of the business requirements within a reasonable period of time.

Exposure to Liquidity Risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments and exclude the impact of netting agreements.

As at March 31, 2023	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings	183.53	183.53	183.53	-
Trade payables and other payables	2.67	2.67	2.67	-
Security deposits	-	-	-	-
Other Financial Liabilities	0.92	0.92	0.92	-

As at March 31, 2022	Carrying Amount	Contractual Cash Flows		
		Total	1 year or less	Beyond 1 year
Non derivative financial liability				
Borrowings	98.76	98.76	98.76	-
Trade payables and other payables	1.17	1.17	1.17	-
Security deposits	-	-	-	-
Other Financial Liabilities	4.60	4.60	4.60	-




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ISF LIMITED

17. a) Tax Expense

i) Recognized in the Statement of Profit and Loss

(In Rupees Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Current tax		
Current tax on taxable income for the year	1.11	21.68
Total Current tax expense	1.11	21.68
Deferred tax		
Deferred tax charge/(credit)	-	-
MAT credit (taken)/utilized	-	-
Total deferred income tax expense/(benefit)	-	-
Earlier Year Tax Adjustements	2.41	2.68
Deferred tax charge/(credit)		-
MAT credit (taken)/utilized		-
Income Tax Expenses reported in Profit & Loss	3.52	24.36

ii) Recognized in Other Comprehensive Income

(In Rupees Lakhs)

Items that will not be reclassified to Profit or Loss	Year ended March 31, 2023	Year ended March 31, 2022
Remeasurement of defined benefit plans	-	-
Tax Expense	-	-
Net of Tax	-	-

iii) Reconciliation of Tax expense and the accounting profit multiplied by India's domestic tax rate for March 31st, 2022

(In Rupees Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
Enacted income tax rate in India applicable to the company	26.00%	26.00%
Accounting profit before Income Tax	4.24	83.29
Current tax expense on profit before tax expense at the enacted income tax rate in India	1.10	21.66
Tax effect of the amounts which are not deductible/(taxable) in calculating taxable income		
Expenses not allowable/on payment in income Tax	0.01	0.01
Income exempted from taxes	-	-
Others including tax adjustments earlier years	2.41	2.69
Total income tax expense/(credit)	3.52	24.36



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18 Contingent Liabilities & Commitments
(To the extent not provided for)

Contingent Liabilities	(In Rupees Lakhs)	
	As at 31-03-2023	As at 31-03-2022
a) Outstanding Capital Commitment (Net of Advance)	-	-
b) Disputed Income Tax	5.24	2.67
c) withholding Tax (TDS)	1.43	1.43
d) Others- Vehicle repossession	7.61	7.61

19 Some of the Sundry Debtors, Advances including Deposits and Current Liabilities are subject to confirmation/reconciliation.

20 Ind AS 116 is not applicable as the underlying asset is perceived to be of low value and yielding low lease rentals.

21 Earnings Per Share (EPS)

Profit attributable to the Equity Share Holders (A)	0.72	58.92
Basic/Weighted average No. of Equity Shares outstanding (B)	950.00	950.00
Nominal Value of Equity Shares (Rs.)	1.00	1.00
Basic / Diluted Earning Per Share (Rs.) (A/B)	0.0008	0.0620

22 Related Party Disclosures under Ind AS 24

- a) List of Related Parties (As identified by the Management)
- i) Enterprises owned or significantly influenced by key management personnel or their relatives:-
Ashish Infra Developers Pvt Ltd
- ii) Key Management Personnel and their Relatives:- Vishal Dang, Hargovind Sachdev, Gayathri Muttur Nagaraj, Renu, Kamal, Prem Kumar Jain (Director till 11/09/2022), Ravi Kanth Kothuru (Director till 22/10/2022), Shweta Aggarwal (Director till 25/06/2022)

b) Transactions with Related Parties

Nature of Transactions	(Rupees in lakhs)	
	Enterprises owned or significantly influenced by key Management Personnel	Key Management Personnel and their relatives
i) EXPENSES		
Remuneration to Key Managerial Personnel *	-	9.00
Directors sitting fees	(-)	-4.81
Interest Paid	(-)	0.82
Interest income on loan given	0.40	(-)
	(1.34)	(7.84)
	(-)	-
	(-)	(-)
* Excluding Gratuity		
ii) UNSECURED LOANS		
Accepted/(Repaid)(Net)	0.00	82.09
Given/(Received back)(Net)	(5.72)	(80.38)
	(-)	(-)
	-	-
iii) BALANCES AS ON 31-MARCH-2023		
Unsecured Loans outstanding (Including Interest Accrued)	0.00	168.21
Creditors	(8.72)	(90.04)
	-	0.50
	(-)	(0.28)

Note: Unsecured loans outstanding at the year end exclude Rs 9.08 lakhs due to a company and Rs 6.24 lakhs due to an ex director who have ceased to be related parties during the year.
In respect of above parties there is no provision for doubtful debts as on 31.03.2023 and no amount has been written off or written back during the year in respect of debts due from/to them.

23 Based on the guiding principles given in Ind AS 108 on "Operating Segment" the Company's business activity falls within a single operating segment, namely Financing. Accordingly, the disclosure requirements of Ind AS 108 are not applicable.

24 Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro Small Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

	(Rupees in lakhs)	
	2022-23	2021-22
(i) Principal amount remaining unpaid
(ii) Interest due thereon remaining unpaid
(iii) Interest paid by the Company in terms of Section 16 of the Micro, Small



Gayathri M. Nagaraj

and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period

(iv) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006

(v) Interest accrued and remaining unpaid

(vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises

25	Financial Ratios	Formula	31.03.2023	31.03.2022
(a)	Capital to Risk weighted assets ratio(CRAR)	Tier I Capital+Tier II Capital/Risk weighted assets	0.86	0.91
(b)	Tier I CRAR	Tier I Capital/Risk weighted assets	0.86	0.91
(c)	Tier II CRAR	Tier II Capital /Risk weighted assets	NA	NA
26	The Company does not have any borrowings from Banks and Financial Institutions at the balance sheet date.			
27	The Company does not own any Immovable Property (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee).			
28	The Company does not have Property/Plant/Equipment during the year.			
29	No Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under the Companies Act 2013), either severally or jointly with any other person, that are repayable on demand or without specifying and terms or period of repayment.			
30	The Company does not hold any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the Rules made thereunder.			
31	The Company does not have any borrowings from Banks/Financial Institutions on the basis of security of current assets.			
32	The Company has not been declared wilful defaulter by any Bank/ Financial Institution/other lender.			
33	The Company does not have any transaction with companies struck off under Section 248 of Companies Act, 2013/ Section 560 of Companies Act 1956.			
34	The Company does not have any borrowings from Banks/ Financial Institutions for which charges/ satisfaction are to be registered with the Registrar of Companies.			
35	The Company does not have any layers prescribed under Clause (87) of Section 2 of the Act, read with Companies (Restriction on number of Layers) Rules, 2017.			
36	No Scheme of Arrangements has been approved by the competent authority in terms of Section 230 to 237 of Companies Act, 2013.			
37	The Company has not advanced/loaned/invested funds(either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies) including foreign entities (intermediaries) with understanding (whether recorded in writing or otherwise) that the intermediary shall			
	i. Directly or indirectly lend or invest in other persons or entities identified in any other matter whatsoever			
	by or on behalf of the company (Ultimate Beneficiaries) or			
	ii. Provide any guarantee or security or the like to or on behalf of the Ultimate Beneficiaries.			
38	The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding			
	i. Directly or indirectly lend or invest in other persons or entities identified in any matter whatsoever by or			
	on behalf of Funding Party (Ultimate Beneficiaries) or			
	ii. Provide any guarantee, security or the like on behalf of Ultimate Beneficiaries.			
39	The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the			
40	The company has not traded or invested in Crypto currency or Virtual currency during the financial year.			
41	Previous Year's figures have been regrouped/ rearranged, wherever found necessary. Figures in brackets above are in respect of previous year.			

As per our report of even date attached
 For V S S A & Associates
 (Firm Registration No. 012421N)
 Chartered Accountants

CA Samir Vaid
 Partner
 M. No. 091309
 UDIN: 23091309B67HAK1615

Place : New Delhi
 Dated : 27.05.2022

For ISF LIMITED

[Signature]
 Director
 Director
 DIN:07971525

[Signature]
 Rajay Gupta
 CFO

For & on behalf of the Board

Hargovind Sachdev
 Director
 DIN:08105319

Gayathri Muttur Nagara
 Director
 DIN:06742638

[Signature]
 Reetu
 Company Secretary



ISF LIMITED**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023****1. (A) CORPORATE INFORMATION**

ISF LIMITED (the Company) is a public limited company incorporated in India with its Registered Office at Delhi and is listed on the Bombay Stock Exchange (BSE). The company is engaged in the business of Non- Banking Financial Company.

1. (B) SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements.

(a) (i) Statement of compliance

The Financial Statements have been prepared as a going concern in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act) including the rules notified under the relevant provisions of the Companies Act, 2013 in the format prescribed by Schedule III (as amended) vide MCA Notification GSR 207(E) dated 24.03.2021.

(b) (ii) Basis for preparation

The Financial Statements have been prepared under the historical cost convention with the exception of certain assets and liabilities carried at fair values by Ind AS. The Assets and Liabilities have been classified as Current/Non-Current as per the Companies normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of Current/Non-Current classification of assets and liabilities.

(c) Property, plant and equipment-Tangible Assets

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discounts and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net changes on foreign exchange contacts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and



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maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation

- i. Depreciation is provided on the straight-line method over the estimated useful lives of the assets as per the rates in the manner prescribed under the Schedule II to the Companies Act 2013.
- ii. Gains and losses on disposals are determined by comparing proceeds with carrying amount and such gains or losses are recognized as income or expense in the statement of profit and loss.
- iii. Cost of items of Property, plant and equipment not ready for intended use as on the balance sheet date is disclosed as capital work in progress. Advances given towards acquisition of Property, Plant and Equipment outstanding at each balance sheet date are disclosed as Capital Advance under Other non-current assets.

(d) Impairment

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

(e) Leases

In accordance with Ind AS 116, as lessee for lease with a term of more than 12 months, the Company recognizes a 'right-of-use' asset at cost for the lease term at the commencement date and a lease liability representing its obligation to make future lease payments. The 'Right-of-use' asset 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 lease payment is discounted using the lessee's incremental borrowing rate as there is no interest rate implicit in the lease. Short term lease and lease of low value is treated as expense on straight line basis or other systematic basis over the lease term.

(f) Financial Instruments

Financial Assets and Financial Liabilities are recognized when the Company becomes a party to the contractual provisions of the relevant instrument. Since the transaction price does not differ significantly from the fair value of the financial asset or financial liability, the transaction price is assumed to be the fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Purchase and sale of financial assets are recognized using trade date accounting.



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i. Financial Assets

Financial assets include Loans, Advances, Security Deposits, Cash and Cash Equivalents etc which are classified for measurement at amortized cost.

Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

Impairment:

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) is tested for impairment based on available evidence or information. Expected credit losses are assessed and loss allowances recognized if the credit quality of the financial asset has deteriorated significantly since initial recognition.

De-recognition:

Financial assets are derecognized when the right to receive cash flow from the assets has expired, or has been transferred and the company has transferred substantially all of the risks and rewards of ownership.

Income recognition:

Interest income on loans is recognized in the Statement of profit and loss using the effective interest method on time proportion basis.

ii. Financial Liabilities:

Borrowings, Trade Payables and other Financial Liabilities are initially recognized at the value of the respective contractual obligations. They are subsequently measured at amortized cost using the effective interest method, wherever applicable.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to short maturity of these instruments.

De-recognition:

Financial liabilities are derecognized when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.



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(g) Revenue

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable taking into account contractually defined terms.

i. Interest Income

Interest income is accrued on time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

(h) Cash and cash Equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash in hand, demand deposits with banks, short term balances (with an original maturity of three months or less from date of acquisition).

(i) Taxes on income

Income tax expense represents the sum of the current tax and deferred tax. Current tax charge is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of profit and loss because Some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset



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realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income tax assets and liabilities are off set against each other and the resultant net amount is presented in the balance sheet if and only when the company currently has a legally enforceable right to set off the current income tax assets and liabilities.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity respectively.

(j) Employee Benefits

(i) Short term employee Benefits

Short term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Post Employment Benefits

Defined Contribution Plans

The company's defined contribution plans are employees provident fund and employees pension scheme (under the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952) since the company has no further obligation beyond making the contributions. The company's contributions to these plans are charged to the Statement of Profit and loss as incurred.

Defined Benefits Plans

Liability for Defined Benefit plans is provided on the basis of actual valuation as at the balance sheet date.

Gratuity

The provision for Gratuity is made as at the balance sheet date on actual calculation.

(k) Earnings Per Share

Basic earnings per share is calculated by dividing the profit for the period attributable to the owners of company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purposes of calculating diluted earnings per share



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the profit for the period attributable to the owners of the company and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(l) Exceptional items

When items of income or expense are of such nature, size and incidence that their disclosure is necessary to explain the performance of the company for the year, the company makes a disclosure of the nature and amount of such items separately under the head "exceptional items."

(m) Provisions and contingent liabilities

A provision is recognized if as a result of a past event, the company has a present obligation (legal or constructive) that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognized at the best estimate of the expenditure required to settle the present obligation at the balance sheet date. If the effect of 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.

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

(n) Dividends

Dividend proposed (including income tax thereon) is recognized in the period in which interim dividends are approved by the Board of Directors or in respect of final dividend when approved by shareholders.

(o) Borrowing cost

Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

(p) Use of Estimates and Critical accounting Judgements

The preparation of Financial Statements is in conformity with generally accepted accounting principles which requires management to make estimates and assumptions.

The estimates and the associated assumptions are based on historical experience, opinions of experts and other factors that are considered to be relevant. Actual results may differ from these estimates.



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Significant judgements and estimates are made relating to impairment of Property, Plant and Equipments, recognition of provisions and exposure of contingent liabilities relating to pending litigations or other outstanding claims etc.

(q) Recent Indian Accounting Standards (Ind AS)

Ministry of Corporate Affairs notifies new Standards or amendments to the existing Standards. On March 31, 2023, MCA issued the Companies (Indian Accounting Standards) Rules, 2023, applicable from April 1, 2023 and has made limited revisions/amendments to Ind AS 1, Ind AS 8, Ind AS 102, Ind AS 103, Ind AS 109 and Ind AS 115. The Company does not expect the amendments to have any significant impact in its financial statements.



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