



5TH ANNUAL REPORT

2022-2023



StockHolding Securities IFSC Limited

Mission Statement

“To be a world class technology driven and client focused market leader in financial and technical services at GIFT IFSC.”

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COMPANY INFORMATION

BOARD OF DIRECTORS (as on August 31, 2023)

Shri. Krishna Iyer Mani	Additional Non-Executive Director
Shri. Shreekant Patwardhan	Nominee Director
Mrs. Shikha Gupta	Additional Non-Executive Director
Shri. Manish Kumar Agrawal	Additional Director (Managing Director)

Management Team

Shri. Manish Kumar Agrawal	Chief Executive Officer
Smt. Arati Bhatt	Chief Financial Officer
Ms. Ekta Shukla (w.e.f. November 14, 2022)	Company Secretary & Head Compliance

Statutory Auditors

(CAG appointed statutory auditor)

M/s Ramanlal G. Shah & Co.,
Chartered Accountants,
Ahmedabad

Secretarial Auditor

M/s Yash Mehta & Associates,
Practicing Company Secretaries,
Ahmedabad

Internal Auditor

M/s Manubhai & Shah LLP,
Chartered Accountants,
Ahmedabad

Bankers

ICICI Bank Limited
Kotak Mahindra Bank Limited
State Bank of India
HDFC Bank Limited
Axis Bank Limited

Registered office

Unit 518, 5th Floor, Hiranandani Signature Tower,
Block 13B, Zone-1, GIFT IFSC, Gift City,
Gandhinagar, Gujarat – 382355

Corporate Identity Number

U65990GJ2018GOI103278

Registrar & Share Transfer Agent

M/s. Link Intime India Pvt Limited

Website

<https://stockholdingifsc.com/>

DIRECTORS' REPORT

To

**The Members,
Stock Holding Securities IFSC Limited**

Your Directors' are pleased to present the Fifth (5th) Annual Report of your Company along with the Audited Statement of Accounts for the financial year ended March 31, 2023.

Financial Performance

Pursuant to the notification dated February 16, 2015, issued by the Ministry of Corporate Affairs, your company has adopted the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

During the period ended March 31, 2023, your company has reported a gross income of USD 43,538 (INR 35,00,000). The Profit/(Loss) after tax was USD (2,30,390) i.e., [INR (1,85,61,000)]. The Total Comprehensive Income/(loss) for the year was USD (2,19,912) i.e., [INR (69,03,000)]. The financial results are summarized below:

Particulars	2022-23 (Amt in USD)	2022-23 (Amt in INR)	2021-22 (Amt in USD)	2021-22 (Amt in INR)
Total Income	43,538	34,99,986	19,643	14,63,662
Total Expenditure	2,72,874	2,19,73,988	3,31,879	2,44,50,158
Profit/ (Loss) Before Tax	(2,29,336)	(1,84,74,002)	(3,12,236)	(2,29,86,495)
Profit/ (Loss) After Tax	(2,30,390)	(1,85,60,669)	(3,12,214)	(2,29,84,863)
Total Comprehensive Income	(2,19,912)	(69,02,587)	(3,05,093)	(1,81,06,103)
Net Worth	17,31,921	14,23,62,832	16,98,981	12,92,65,419
Book Value per Equity Share of Rs 10	0.089	7.354	0.102	7.698
Earnings per share	(0.01)	(0.96)	(0.02)	(1.44)

Stock Holding Securities IFSC Limited (SSIL) at IFSC, Gift City

Your company is a SEBI registered Stockbroker and a wholly owned subsidiary of Stock Holding Corporation of India Limited (Stock Holding). As a Broker-Dealer, your company offers Broking and Clearing Services to all eligible investors at the International Financial Services Centre (IFSC) at Gift City, Gandhinagar, Gujarat.

Your company is a TM-CM of India International Exchange (INDIA INX), NSE International Exchange (NSE IX) and India International Bullion Exchange (IIBX). Your company is also a Depository Participant with India International Depository IFSC Limited (IIDF).

Products and Services offered by SSIL

Being the trading-clearing member of exchanges at GIFT IFSC i.e., India INX, NSE IFSC and IIBX, your Company provides following services to its clients;

Client category	Exchange	Products	Client type
Trading and clearing	India INX, NSE IX and IIBX	i. Index derivatives ii. Currency derivatives iii. Commodity derivatives iv. Single Stock derivatives v. Bonds vi. Gold (spot)	1. Stockbroker 2. Qualified Jewelers 3. Non-resident Indians 4. Foreign Portfolio Investors (FPIs) 5. Eligible Foreign Investors (EFIs) 6. AIF
UDR	NSE IX	Un-sponsored Depository Receipts (UDR)	Resident Indians (under LRS)
INX Global Access (INX GA)	-	Stocks, ETF, PMS, Options, Future, MF, Bonds, Hedge Funds	1. Individual resident in India (under LRS) 2. GIFT IFSC Entities 3. Foreign Residents/ Non-resident Indians/ Foreign corporates 4. AIF/PMS/AMC
Depository Services	-	UDR and Bullion	1. Stockbroker 2. Qualified Jewelers

Business and operations review

During FY 2022-23 your Company was actively engaged in facilitating various business operations. Your Company has facilitated the trading of various financial instruments, including stocks, derivatives, and commodities. One notable achievement is the onboarding of a market maker for our clearing services. Furthermore, your Company has commenced trading-clearing for bullion exchange and has served a client for executing trades on bullion exchange. This new initiative reflects our commitment to continuously diversify our offerings and cater to the evolving needs of our clients. In the current year, your Company has initiated the offering of the Global Access (GA) platform of India INX to eligible investors. Moreover, your Company has established an affiliate arrangement with Stock Holding Corporation of India Limited and its Group Companies to promote the GA product and leverage the extensive client network of Stock Holding. This collaboration is based on a revenue sharing model, ensuring mutual benefits to all parties involved. NSE IFSC-SGX Connect at International Financial Service Centre in GIFT City became operational from July 03, 2023, after the transition of SGX Nifty derivatives to NSE IFSC. The index has also been renamed as GIFT Nifty. The shift of the exchange to India inaugurates the full-scale operations of NSE IFSC-SGX Connect, a planned collaboration between SGX and NSE for trading stock index-based products and for promoting global investments on Indian shores. Your Company is optimistic on GIFT NIFTY and opportunities this connect brings to GIFT City.

Regulatory development

The regulatory development happened during the year under review and/or after the end of FY but before the signing of the report are as follows;

1. In the Union budget 2023-24 various key developments was announced by the Government for GIFT IFSC summarized as follows:
 - i. Delegating powers under the SEZ Act to IFSCA to avoid dual regulation.
 - ii. Setting up a single window IT system for registration and approval from IFSCA, SEZ authorities, GSTN, RBI, SEBI and IRDAI.

- iii. Amending IFSCA Act for statutory provisions for arbitration, ancillary services, and avoiding dual regulation under SEZ Act.
 - iv. Recognizing offshore derivative instruments as valid contracts.
 - v. Setting up of Data Embassies in GIFT IFSC.
2. IFSCA, the regulatory authority of IFSC entities, has issued following rules/regulations/directives related to capital market such as:
- i. IFSCA notifies amendments the guidelines for Liquidity Enhancement Scheme (LES), BCP and DR site guidelines for MIIIs.
 - ii. IFSCA notified IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer), Guidelines 2022 on 28/10/2022.
 - iii. IFSCA has issued Fee structure for the entities undertaking or intending to undertake permissible activities in IFSC in May and amendment in July 2023.
 - iv. IFSCA has issued the Guidance to the IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer), Guidelines 2022 on 23/05/2023.
 - v. IFSCA has amended IFSCA (Capital Market Intermediaries) (Amendment) Regulations, 2023 on 03/07/2023.

Change in nature of business

The company has not undergone any changes in the nature of the business during the financial year 2022-23.

Details of subsidiary, joint venture or associates

Your Company does not have any subsidiary, Joint Venture or Associate company.

Dividend

In view of the loss incurred by the company during the year under review, your Board of Directors do not recommend any dividend for the financial year 2022-23.

Amount transferred to reserves

In view of the loss, no amount was available for transferring to the reserves for the FY 2022-23.

Issue of shares

During the year under review, there were no changes in the authorized share capital of the Company. Your company has made a preferential allotment of 20,00,000 shares of INR 10 per share issued at par to the parent company in two tranches of 10,00,000 shares each during the financial year 2022-23. The provisions of sections 42 and 62 of the Companies Act, 2013 have been duly complied with while making such allotment.

At present, the authorized share capital is INR 20,00,00,000/- (Indian Rupees Twenty Crores) and paid-up share capital is of INR 20,00,00,000/- (Indian Rupees Twenty Crores), 2,00,00,000 shares of face value of INR 10 each.

Dematerialization of equity shares of your Company

The equity shares of your Company are admitted in demat with National Securities Depository Limited (NSDL). M/s. Link Intime India Pvt Limited has been appointed as Registrar and Transfer Agent. As on date 100% of your Company's equity shares are in dematerialized form.

Annual Return

The provisions of Section 92(3) of the Companies Act, 2013 regarding placing of annual return on the website of the Company is specifically exempted by Ministry of Corporate Affairs for the IFSC public companies through notification no. G.S.R. 08(E) dated January 04, 2017.

Particulars of Loans, Guarantee and Investments

Your company has not given any loans, guarantees or investments within the purview of section 186 of the Companies Act, 2013.

Fixed Deposits

The company has not accepted any Fixed Deposits from the public during the financial year 2022-23.

Particulars of contracts or arrangements with related parties

During the year under review, your Company has entered into the transactions with related parties at arm's length price as referred to in sub-section (1) of Section 188 of the Companies Act, 2013, the details of which are provided in the financial statement of the Company.

Pursuant to section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, Form AOC-2 is annexed as **Annexure-A** to this Report.

Material changes affecting the financial position of the company

There were no material changes and commitments that took place and affected the financial position of the company after the end of the financial year ended March 31, 2023.

Code of Conduct to regulate, monitor and report trading

Your company, being an International Financial Services Centre Authority (IFSCA)/SEBI regulated intermediary has formulated and implemented the Code of Conduct to regulate, monitor and report trading by its employees/directors.

Details of Directors and Key Managerial Personnel

Your Company presently has four Directors. The remuneration of Non-Executive Directors comprises sitting fees for attending the meetings of Board/Committees of the Board of the company. None of the directors were entitled to Stock Options.

Shri R. Anand (08180202) has resigned as Nominee Director with effect from May 31, 2022, due to his superannuation from the Stock Holding and subsequently, Shri Shreekant Patwardhan (08490827) has been appointed as Nominee Director from Stock Holding in his place with effect from June 01, 2022. The Board records appreciation for the valuable contributions and guidance provided by Shri R Anand during his tenure.

Shri Kanakasabapathy Kumar (06632984) and Shri Manoj Kumar Parida (09230827) have resigned from Independent Directorship and Directorship with effect from October 12, 2022, and November 11, 2022, respectively. The Board records appreciation for the valuable contributions and guidance provided by them during their tenure.

Pursuant to the resignation of the Shri Kanakasabapathy Kumar and Shri Manoj Kumar Parida, your Board has appointed Shri. Krishna Iyer Mani (03063000) and Mrs. Shikha Gupta (09781396) as an Additional Directors with effect from November 04, 2022, and November 14, 2022, respectively.

Shri Krishna Iyer Mani is MBA (Finance) and holds other professional qualifications. He has nearly 37 years of experience in financial & banking sector, and he had worked with Indian Bank and SIDBI. Mrs Shikha Gupta is a Qualified Chartered Accountant and working with IFCI Limited since last 14 years.

Pursuant to the resignation of Ms Kirty Pareek (A51812) from the post of Company Secretary & Head Compliance w.e.f. July 22, 2022, Board of Directors has appointed Ms. Ekta Shukla(A52677) as a Company Secretary & Head Compliance w.e.f. November 14, 2022.

Pursuant to the superannuation from parent company, Shri Ramesh Narayanaswami Gouri Sankaran (06932731) has resigned from the Directorship with effect from April 17, 2023.

Shri Prabhat Kumar Dubey (09327875) has resigned from the post of Managing Director & CEO with effect from close of business hours on April 17, 2023, pursuant to his repatriation by the parent company. Subsequently, your Board has appointed Shri Manish Kumar Agrawal (10099187) as an Additional Director and designated him as the Managing Director & CEO with effect from April 18, 2023.

The directors of the Company also adhere to the Fit and Proper person criteria as specified in IFSCA Regulations.

Disclosure under Section 164 of the Companies Act, 2013

Your Company has received disclosures as required under Section 164 of the Companies Act, 2013 and has noted that none of the directors is disqualified on account of non-compliance with any of the provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014.

Receipt of any commission by Managing Director (MD)/Whole Time Director (WTD) from a Company or for receipt of commission/remuneration from it Holding or subsidiary

MD/WTD has not received any commission from a company, its Holding company or subsidiary during the financial year 2022-23.

Number of meetings of the Board

During the year, total five Board Meetings were convened and held. The intervening gaps between the meetings were within the period prescribed under the Companies Act, 2013. The details of Board Meetings are given in the Corporate Governance Report.

Committees of the Board

Your company, being an IFSC public company, is exempt from the provisions of section 177 and 178 of the Companies Act, 2013 pertaining to constitution of an Audit Committee and Nomination & Remuneration Committee. However, in the interest of good governance practice and transparency, the company had constituted three committees viz. Audit Committee, Nomination & Remuneration Committee and Risk & New Initiative Committee. Details of the Committees are as follows:

Audit Committee

In terms of good governance practice, your company had constituted Audit Committee comprising 3 members as per the provisions of the section 177 of the Companies Act, 2013. The composition of Audit Committee is as under:

Sr.No.	Name of Member	Designation
1	Shri. Krishna Iyer Mani (Additional Non-Executive Director)	Chairman & Member
2	Shri. Shreekant Patwardhan (Nominee Director)	Member
3	Mrs. Shikha Gupta (Additional Non-Executive Director)	Member

*The KMPs of the Company i.e., MD & CEO, CFO and CS shall attend committee meeting as invitee/attendee and CS shall act as a secretary of the committee.

The Audit Committee held five meetings during the year ended March 31, 2023. The details of audit committee meetings are given in the Corporate Governance Report.

Nomination & Remuneration Committee (NRC)

In terms of good governance practice, your company had constituted NRC with 3 members as per the provisions of section 178 of the Companies Act, 2013. The composition of NRC is as under:

Sr.No.	Name of Member	Designation
1	Mrs. Shikha Gupta (Additional Non-Executive Director)	Chairperson & Member
2	Shri. Krishna Iyer Mani (Additional Non-Executive Director)	Member
3	Shri. Shreekant Patwardhan (Nominee Director)	Member

*The KMPs of the Company i.e., MD & CEO, CFO and CS shall attend committee meeting as invitee/attendee and CS shall act as a secretary of the committee.

The directors of the company are nominee director of the parent company, however, since its constitution, such appointments are placed before the NRC for their recommendation to the Board for the appointment of nominee directors. Further, the NRC, to the extent feasible and prudent, shall comply with the provisions of the section 178 of the Companies Act, 2013 for the recommendation the appointment of non-executive director/s, appointment of KMPs and their remuneration, if any., to the Board. There is no NRC meeting held during the year ended March 31, 2023.

Risk & New Initiative Committee (R&NIC)

In terms of good governance practice, your company had constituted R&NIC. The R&NIC has three members and the Composition of R&NIC is as under:

Sr.No.	Name of Member	Designation
1	Shri. Krishna Iyer Mani (Additional Non-Executive Director)	Chairman & Member
2	Shri. Shreekant Patwardhan (Nominee Director)	Member
3	Mrs. Shikha Gupta (Additional Non-Executive Director)	Member

*The KMPs of the Company i.e., MD & CEO, CFO and CS shall attend committee meeting as invitee/attendee and CS shall act as a secretary of the committee.

Two R&NIC meetings were held during the year ended March 31, 2023, and the details of R&NIC meetings are given in the Corporate Governance Report.

Corporate Social Responsibility (CSR)

Your Company does not transcend the threshold limits as required under Section 135 of the Companies Act, 2013 and accordingly is not required to constitute a CSR Committee to discharge the functions mandated under the provisions so prescribed.

Corporate Governance

Your company is not a listed company even though it endeavors to comply with Corporate Governance norms. Report on Corporate Governance is annexed as **Annexure-B**.

Whistle Blower Policy

Your Company has formulated a Whistle Blower/Vigil Mechanism pursuant to Section – 177(10) of the Companies Act, 2013, enabling reporting of any concern of unethical conduct, behaviour, suspected fraud or violation and safeguard the whistle blower.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

As per requirements, a company employing ten or more employees needs to have an ICC in place comprising of at least four members. But as the number of employees in the company is less than ten therefore, the company has not formed an Internal Complaints Committee (ICC). However, with a view to provide a safe working environment for the women employees, the company has adopted Prevention of Sexual Harassment (POSH) Policy and has laid down a procedure to refer to all matters falling in the ambit of the POSH policy to the ICC of the parent company.

Risk Management Policy

Your company recognizes that risk is an integral part of business and is committed to managing the risk in a protective and efficient manner. Your company has a Board adopted Risk Management Policy and Risk Management Policy (operations) and are reviewed annually. Your company also has an internal risk committee to identify risks on a time-to-time basis and address them through mitigation actions on a continuous basis.

Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements

Regarding the internal financial controls in the company, the management of the company has appointed M/s. PKF Sridhar & Santhanam LLP to conduct an internal financial control audit annually. The Auditors review the entity level controls, trading and clearing, finance, procurement, human resources, asset management, legal & secretarial, information & technology and financial closure. The report of IFC audit has been placed before the Board after necessary review of Audit Committee. The report does not contain any qualifications, reservations, or adverse remarks.

Conservation of energy, technology absorption, foreign exchange earnings and outgo

Conservation of energy & technology absorption

Your company does not carry out any manufacturing activities. However, it has taken steps towards conservation of energy and continues to use the latest technologies for improving the productivity and quality of its services. Your company uses energy efficient LED lights equipped with the latest technology having features of lower power usage and improved performance. Your company is using energy efficient chilled water cooling for air conditioning. These efforts result in a significant reduction in energy consumption.

Foreign exchange earnings and outgo

The functional currency of your company is USD, and the presenting currency is INR. Hence, for the purpose of the

reporting of foreign exchange earnings and outgo, any earning in currency other than USD is considered while the conversion of currency form USD to INR (for meeting expenses) is reported herein. The Company generates its revenue from operations and investment income in USD only.

Foreign exchange earnings and outgo during the year under review:

Foreign Exchange Earnings – Nil

Foreign Exchange Outgo – USD 3,27,000*

*(Rs. 1,96,32,000/- credited into Special Non-Resident Rupee Account for incurring expenses)

Particulars of Employees

None of the employees of your company were in receipt of remuneration in excess of the limits as laid down under Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Auditors & Auditor's Report

C&AG and Statutory Auditor

Being subsidiary of a Government Company, your company is also a Government Company. As per the section 139 of the Companies Act, 2013, M/s. Ramanlal G Shah & Co., Chartered Accountants, Ahmedabad, were appointed by the office of Comptroller and Auditor General of India (CAG) vide its letter dated September 02, 2022, as Statutory Auditor of your company for the financial year 2022-23.

The Statutory Auditor M/s Ramanlal G Shah & Co. conducted the audit of the financial statements of the company for the financial year ended March 31, 2023, and given their report which is part of the Annual Report. The report does not contain any qualifications, reservations, or adverse remarks.

With reference to Section – 143 of the Companies Act, 2013, the Audit of the accounts of Government companies is administered by the Comptroller and Auditor General of India. Also, the appointment and re-appointment of the Auditor at government company are made by the Comptroller and Auditor General of India. The comment(s)/report of the Comptroller & Auditor General of India on the statutory audit report is to be placed before the shareholder along with Auditor's Report.

Secretarial Auditor

Your company, being a public limited company but having a paid-up capital of less than INR 50 crores and not having specified turnover or loan, does not belong to the class of companies that are required to obtain a secretarial audit report. However, in the interest of good governance practice, the Board of Directors of your company has appointed M/s Yash Mehta & Associates, Company Secretaries, as Secretarial Auditor of the company to conduct Secretarial Audit of your company for the financial year 2022-23 as per the provisions of Section 204 of the Companies Act, 2013. The Secretarial Audit Report is annexed herewith as **Annexure-C**. The report does not contain any qualifications, reservations, or adverse remarks.

Internal Auditor

Your company has appointed M/s Manubhai & Shah LLP, Chartered Accountants, Ahmedabad, as Internal Auditor to carry out an internal audit of all functions and activities of the company as per the scope approved by the Audit Committee (earlier Audit, Risk and New Initiative Committee) of the Board. The quarterly internal audit reports have been placed before the meetings of the Audit Committee and then to the Board.

Details to be reported u/s 134 (3) (ca) of the Companies Act, 2013

No frauds have been noticed/ or reported by Auditors during the year.

Maintenance of cost records

The company is not required to maintain accounts and records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, pertaining to the Maintenance of Cost Records.

Details of significant & material orders passed by the Regulators or Courts or Tribunal

There are no material orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016

The company has neither made any applications nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 during the year ended March 31, 2023.

Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof

The company has not availed any one-time settlement facility and has not taken any loan from the banks and financial institutions during the year under review. Therefore, the company was not required to provide the details with reference to the difference in the amount of valuation done at the time of one-time settlement and valuation done while taking loan from the banks or financial institutions.

Directors' Responsibility Statement

To the best of their knowledge and belief, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013 and confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2023, and of the profit and loss of the Company for the year ended on that date;
- c) the Director had 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;
- d) the Directors had been prepared the annual accounts on a going concern basis;
- e) internal financial controls were in place and such financial controls are adequate and operating effectively;
- f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

Acknowledgements

The Directors are grateful for the support and co-operation extended by IFCI Ltd (ultimate holding company), Stock Holding Corporation of India Limited (Holding/parent Company) and Stock Holding group companies and look forward to their continued support and co-operation. The Directors expresses its sincere thanks to International Financial Services Centres Authority (IFSCA), the Central Excise Customs and Service Tax at IFSC-Gift City, Gujarat International Finance Tec-City (Gift City), Kandla Special Economic Zone (KASEZ), India International Exchange (IFSC) Limited (India INX), India International Clearing Corporation (IFSC) Limited, NSE IFSC Limited (NSE IX), NSE IFSC Clearing Corporation Limited, India International Bullion Exchange (IIBX), India International Depository IFSC Limited. The

Directors would like to place on record their appreciation of the contribution made by the employees at all levels for the development of the Company.

Place: Gandhinagar/Mumbai

Date: 22nd July 2023

For and on behalf of the Board of Directors

SD/-

Manish Kumar Agrawal

DIN: 10099187

Managing Director & CEO

SD/-

Shreekant Patwardhan

DIN: 08490827

Nominee Director

FORM AOC -2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions not at arm's length basis: None

(a)	Name (s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Justification for entering into such contracts or arrangements or transactions	
(f)	Date(s) of approval by the Board	
(g)	Amount paid as advances, if any:	
(h)	Date on which the special resolution was passed	
(i)	Amount paid as advances, if any	
(j)	Date on which special resolution was passed in general meeting as required under first proviso to Section 188 of the Companies Act, 2013	

2. Details of material contracts or arrangement or transactions at arm's length basis: None

(a)	Names(s) of the related party and nature of relationship	Not Applicable
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts/arrangements/transactions	
(d)	Salient terms of the contracts or arrangements of transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	

For and on behalf of the Board of Directors
SD/-

Manish Kumar Agrawal
DIN: 10099187
Managing Director & CEO

SD/-

Shreekant Patwardhan
DIN: 08490827
Nominee Director

Place: Gandhinagar/Mumbai
Date: 22nd July 2023

REPORT ON CORPORATE GOVERNANCE

(Forming part of Directors' Report for financial year ended March 31, 2023)

Your Company's philosophy on Code of Governance

The company is not a listed entity. Nevertheless, it endeavours to comply with Corporate Governance norms as specified under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The company's philosophy on corporate governance recognizes the accountability of the Board & Officers and the importance of decisions to all constituents, including customers, employees, investors, business associates, regulatory authorities, and the community at large. Your company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value over a period of time.

Board of Directors

The Board sets the strategic goals for your company, defines its policies and oversee the implementation of these policies to enable actions that would lead to the attainment of the goals. The Board presently consists of 4 members and the day-to-day management of the company vests in the hands of the MD & CEO.

The details of Directorships held by the directors as on July 22, 2023, in other companies are as follows:

Shri. Krishna Iyer Mani

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Non-Executive Director
2	Leap India Private Limited	Director

Mrs. Shikha Gupta

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Non-Executive Director

Shri. Shreekant Gopal Patwardhan

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Nominee Director

Shri. Manish Kumar Agrawal

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Managing Director & CEO

Shri. Ramasubban Anand (R. Anand)*

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Nominee Director

*Resigned w.e.f. May 31, 2022. Details as per the last submitted declaration.

Shri. Kanakasabapathy Kumar (K. Kumar)**

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Independent Director
2	PGIM India Trustees Private Limited	Independent Director
3	J V Advisors LLP	Partner
4	BSE Administration & Supervision Limited	Independent Director

** Resigned w.e.f. October 12, 2022. Details as per last submitted declaration.

Shri. Manoj Kumar Parida***

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Nominee Director
2	IIDL Realtors Private Limited	Nominee Director

***Nominee Director of IFCI Limited. Resigned w.e.f. November 11, 2022. Details as per last submitted declaration.

Shri. Ramesh Narayanaswami Gouri Sankaran (Ramesh N.G.S.)****

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Corporation of India Limited	Managing Director & CEO
2	StockHolding Document Management Services Limited	Non-Executive Chairman
3	StockHolding Services Limited	Non-Executive Chairman
4	StockHolding Securities IFSC Limited	Non-Executive Chairman
5	Wonder Home Finance Limited	Independent Director
6	IFIN Securities Finance Limited	Non-Executive Director
7	IFIN Credit Limited	Non-Executive Director
8	IFIN Commodities Limited	Non-Executive Director
9	IFCI Financial Services Limited	Non-Executive Director

****Resigned w.e.f. April 17, 2023.

Shri. Prabhat Kumar Dubey*****

Sr.No.	Name of Company/Institution	Nature of interest
1	StockHolding Securities IFSC Limited	Managing Director & CEO

*****Resigned w.e.f. April 17, 2023.

Details of the Board Meeting and Attendance

The Board of Directors meets at least once in every three months. Five meetings were held during the period ended March 31, 2023. Details of Board Meetings held are as follows:

Sr.No.	Date of the Board Meeting	Total number of Directors on the date of the meeting	Number of Directors attended	% of Attendance
1	27.04.2022	5	4	80
2	20.07.2022	5	5	100
3	18.10.2022	4	4	100
4	20.01.2023	5	5	100
5	03.03.2023	5	5	100

Attendance of Directors at Board Meetings and Annual General Meeting (AGM) during the period ending March 31, 2023, are as follows:

Sr. No.	Name of the Director	Attendance at the Board Meetings					Attendance at the AGM held on 15.09.2022
		27.04.2022	20.07.2022	18.10.2022	20.01.2023	03.03.2023	
1	Shri. Ramesh N.G.S.	√	√	√	√	√	√
2	Shri K. Kumar (resigned w.e.f. 12.10.2022)	-	√	-	-	-	√
3	Shri. R. Anand (resigned w.e.f. 31.05.2022)	√	-	-	-	-	-
4	Shri. Shreekant Patwardhan (appointed w.e.f. 01.06.2022)	-	√	√	√	√	√
5	Shri. Manoj Kumar Parida (resigned w.e.f. 11.11.2022)	√	√	√	-	-	√
6	Shri. Krishna Iyer Mani (appointed w.e.f. 04.11.2022)	-	-	-	√	√	-
7	Mrs. Shikha Gupta (appointed w.e.f. 14.11.2022)	-	-	-	√	√	-
8	Shri. Prabhat Kumar Dubey	√	√	√	√	√	√

Details of Audit Committee Meetings and Attendance

The accounts of your company are audited every quarter and the quarterly and annually audited financial statements along with auditor's report are placed before the Audit Committee for their recommendation to the Board for their approval.

The terms of reference of the Audit Committee of the Board inter alia includes the terms referred to under Section 177 (4) of the Companies Act, 2013. As on March 31, 2023, the Audit Committee of the Board comprised of three members. During the financial year 2022-23, five audit committee meetings were held and details of attendance of the members at Audit Committee meetings are as follows:

Sr. No.	Name of Member	Attendance at the Audit Committee Meetings				
		27.04.2022	20.07.2022	18.10.2022	20.01.2023	03.03.2023
1	Shri. K. Kumar (resigned w.e.f. 12.10.2022)	-	√	-	-	-
2	Shri. R. Anand (resigned w.e.f. 31.05.2022)	√	-	-	-	-
3	Shri. Manoj Kumar Parida (resigned w.e.f. 11.11.2022)	√	√	√	-	-
4	Shri. Shreekant Patwardhan (appointed w.e.f. 01.06.2022)	-	√	√	√	√
5	Shri. Krishna Iyer Mani (appointed w.e.f. 04.11.2022)	-	-	-	√	√
6	Mrs. Shikha Gupta (appointed w.e.f. 14.11.2022)	-	-	-	√	√

Details of Nomination & Remuneration Committee (NRC) and Attendance

The appointment of directors, and KMP and their remuneration are placed before the NRC for their recommendation to the Board for approval. As on March 31, 2023, the NRC of the Board comprised of three members. There was no NRC meeting held in the financial year 2022-23.

Details of Risk & New Initiative Committee (R&NIC) and Attendance

Any new initiative taken by management is placed before the R&NIC for the evaluation of risk and for their recommendation to the Board for their approval.

As on March 31, 2023, the R&NIC of the Board comprised of three members. Two meetings of the R&NIC committee were held in the financial year 2022-23. The details of attendance of the members at the R&NIC meetings are as follows:

Sr. No.	Name of Member	Attendance at the Risk & New Initiative Committee Meeting	
		16.12.2022	20.01.2023
1	Shri. Krishna Iyer Mani	√	√
2	Shri. Shreekant Patwardhan	√	√
3	Mrs. Shikha Gupta	√	√

General Meetings

Your company held its fourth (4th) Annual General Meeting (AGM) on September 15, 2022, through video conferencing or other audio-visual means. The company was complied with the provisions of the Companies Act, 2013 and the circulars issued by the Ministry of Corporate Affairs (MCA) viz; circular dated May 05, 2020, read with circulars dated April 08, 2020, and April 13, 2020, while conducting the AGM through video conferencing.

Disclosures

There were no transactions of your company of material nature with its Directors, KMP or their relatives etc. that may have potential conflict with the interest of your company at large.

Dividend History

Since your company has incurred losses in the financial years 2018-19, 2019-20, 2020-21, 2021-22 and 2022-23, dividends have not been declared and paid.

Shareholder Information

a) Annual General Meeting

Date, Time & Mode of the Annual General Meeting

September 15, 2023, at 04:30 P.M., through video conferencing or other audio-visual means

b) Dividend Payment Date

Not Applicable

c) Listing on Stock Exchange

The company's shares are not listed on any stock exchange.

d) Annual Report

The Annual Report containing inter alia Audited Annual Accounts, Directors' Report, Auditor's Report, and other important information is circulated to members and other entitled thereto. The Annual Report of the company is also available on the website of the company i.e., www.stockholdingifsc.com, in a downloadable form.

e) Distribution of shareholding as on March 31, 2023

The Company is wholly owned subsidiary of Stock Holding Corporation of India Limited (Stock Holding).

f) Address for correspondence

To,
Company Secretary
Stock Holding Securities IFSC Limited
518, Signature Tower, IFSC, Gift SEZ,
Gift City, Gandhinagar, Gujarat-382355.

Dated: 22nd July 2023



YASH MEHTA & ASSOCIATES
Company Secretaries

Address : 67, Chinubhai Tower, Besides H.K. College, Opp. Handloom House,
Ashram Road, Ahmedabad - 380009.

☎ 9913069848 ☎ 07946044489, Web - www.ymassociates.in
✉ yash.ymassociates@gmail.com, support@ymassociates.in

Annexure - C

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
STOCKHOLDING SECURITIES IFSC LIMITED
CIN: U65990GJ2018GOI103278
Unit No.518, Signature, 5th Floor,
Block 13B, Zone-I, GIFT SEZ GIFT CITY,
Gandhinagar – 382355, Gujarat, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **STOCKHOLDING SECURITIES IFSC LIMITED** a wholly owned subsidiary of Stock Holding Corporation of India 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.

The Company is an IFSC (International Financial Service Centre) Company which has obtained necessary approval from Central Government for setting up its centre in SEZ. The Company provides services of Trading, Clearing and Provider Services.

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** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and Compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

- 1) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- 2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- 3) 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (b) The Securities and Exchange Board of India (Intermediaries) Regulations, 2008.
 - (c) Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015:



- (d) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable.
- 4) The following Regulations prescribed by International Financial Services Centres Authority (IFSCA) under International Financial Services Centres Authority Act, 2019: -
 - (a) International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020
 - (b) International Financial Services Centres Authority (Capital Market Intermediaries) Regulations, 2021
 - (c) Rules, Regulations, Circulars, Orders, Notifications and Directives issued under the above statute to the extent applicable
- 5) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- 6) Foreign Exchange Management Act, 1999 and the Rules and Regulations framed thereunder and to the extent it is applicable to IFSC Company;
- 7) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are **NOT APPLICABLE** to the Company as the Company's Securities are not listed on any Stock Exchange except those which are specifically applicable to IFSC Company and Broking companies registered with SEBI:
 - (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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 - (g) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 2018;
 - (h) The Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 (Came into force w.e.f.01.01.2019)
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Following Standards / Clauses / Regulations were not subject to our examination as the same are **NOT APPLICABLE** to the Company:

- i) Secretarial Standards with respect to the Meetings of the Board of Directors and Committee Meetings of the Board (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.



We have relied on the representations made by the Company, its officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under applicable Acts, Laws and Regulations to the Company.

Auditor's Responsibility

The responsibility of the Auditor is to express opinion on the compliance with the applicable laws and maintenance of records based on audit. The audit was conducted in accordance with applicable Standards and those Standards require that the Auditor 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.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some Misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

We further report that:

During the year under review, the Company has **COMPLIED** with all the material aspects of the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. as mentioned above. The Board of Directors of the Company is duly constituted. The changes in the composition of Board that took place during the year under review were carried out in compliance of the provisions of Act.

Adequate notice is given to all the Directors to schedule the Board Meetings in advance in due compliances of law. Agenda and detailed notes on agenda were also sent in advance and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of Board of Directors / Committees of the Company were carried through on the basis of majority. We were informed that there were no dissenting views by any members of Board / Committee in the meetings held during the year under review that were required to be captured and recorded as part of minutes

We further report that:

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

We further report that:

During the audit period, there were following instances;

1. Mr. Ramasubban Anand resigned as Nominee Director of the company with effect from 31st May 2022.
2. Mr. Shreekant Gopal Patwardhan appointed as an Nominee Director nominated by Stock Holding Corporation of India Limited on the Board of the Company with effect from 01st June 2022.
3. Ms. Kirty Pareek resigned as Company Secretary of the Company with effect from 22nd July 2022.
4. Mr. Kumar Kanakasabapathy resigned as Independent Director of the Company with effect from 12th October 2022.
5. Mr. Krishna Iyer Mani appointed as an Additional Director on the Board of the Company with effect from 04th November 2022.
6. Mr. Manoj Kumar Parida resigned as Nominee Director of the company with effect from 11th November 2022.



7. Ms. Shikha Gupta appointed as an Additional Director of the Company with effect from 14th November 2022.
8. Ms. Ekta Shukla appointed as Company Secretary of the Company with effect from 14th November 2022.
9. Allotment of 10,00,000 (Ten Lakh) Equity Shares at Rs. 10.00 (Rupees Ten Only) per equity share amounting to Rs.1,00,00,000.00 (Rupees One Crore Only) on 23rd June 2022 to Stockholding Corporation of India Limited on preferential issue basis in compliance of provisions of Section 62(1)(C) of the Companies Act, 2013 including the Rules framed there under.
10. Allotment of 10,00,000 (Ten Lakh) Equity Shares at Rs. 10.00 (Rupees Ten Only) per equity share amounting to Rs. 1,00,00,000.00 (Rupees One Crore Only) on 30th August 2022 to Stockholding Corporation of India Limited on preferential issue basis in compliance of provisions of Section 62(1)(C) of the Companies Act, 2013 including the Rules framed there under.

We further report that:

There were no instances of:

- a) Public issue/Right issue of Shares/Debentures/Sweat Equity etc.
- b) Redemption/Buy – Back of Securities.
- c) Merger/amalgamation/Reconstruction etc.
- d) Foreign Technical Collaboration.

Date :26.04.2023
Place :Ahmedabad

FOR YASH MEHTA & ASSOCIATES
COMPANY SECRETARIES

SD/-

YASH MEHTA
PROPRIETOR

FCS: 12143

COP: 16535

PEER REVIEW NUMBER: 1269/2021

UDIN: F012143E000196580

*Note1: The Company being an IFSC Company is exempted from complying with certain provisions of Companies Act, 2013 pursuant to the Notification issued by MCA dated January 4, 2017.

*Note 2: IFSCA is an Authority established under sub-section (1) of Section 4 of International Financial Services Centres Authority Act, 2019 to develop and regulate the financial services market in the International Financial Services Centres in India for matter connected therewith or incidental thereto.

This report is to be read with our letter of even date which is annexed as “ANNEXURE - A” and forms an integral part of this report



"ANNEXURE - A"

To,
The Members,
STOCKHOLDING SECURITIES IFSC LIMITED
CIN: U65990GJ2018GOI103278
Unit No. 518, Signature, 5th Floor,
Block 13B, Zone-I, GIFT SEZ GIFT CITY,
Gandhinagar – 382355, Gujarat, India.

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 processes as were appropriate to obtain responsible assurance about the correctness of the contents of Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a responsible 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 procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR YASH MEHTA & ASSOCIATES
COMPANY SECRETARIES

SD/-

YASH MEHTA
PROPRIETOR

FCS: 12143

COP: 16535

PEER REVIEW NUMBER: 1269/2021

UDIN: F012143E000196580

Date : 26.04.2023
Place : Ahmedabad

ANNEXURE

RECOMMENDATIONS MADE BY THE COMMITTEE ON PAPERS LAID ON THE TABLE (RAJYA SABHA) IN ITS 150TH REPORT- DETAILS TO BE PROVIDED IN THE ANNUAL REPORT.

Details to be provided in the Annual Report in terms of recommendations made by the Committee on Papers laid on the Table (Rajya Sabha) in its 150th Report are as under-

1. Details of the vigilance cases for the FY 2022-23

Opening balance as on 01.04.2022	Vigilance cases received during 01.04.2022 to 31.03.2023	Disposed off	Balance
NIL	NIL	NIL	NIL

2. Details of Pending C&AG Audit Paras and Management Replies

Sr. No.	Audit Report Para No.	Particulars	Management Response
	NONE	NONE	NONE

RAMANLAL G. SHAH & CO.

CHARTERED ACCOUNTANTS

Telephone : 079-26578819, 26575530, 26578861

Website : www.ramanlalshahandco.in

E-mail : ramanlalshahandco@gmail.com

SHREEJI HOUSE, BEHIND M.J. LIBRARY,
ELLISBRIDGE, AHMEDABAD - 380 006.

INDEPENDENT AUDITOR'S REPORT

To the Members of StockHolding Securities IFSC Limited Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of StockHolding Securities IFSC Limited which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), 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 financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its Loss including other comprehensive income, the 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 Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Company's Board of Directors is responsible for other information. The other information comprises information included in the Management Discussion and Analysis, Board's Report including annexures to Board's Report and Report on Corporate Governance but does not include the standalone financial statements and our Auditor's Report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the standalone financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on work we have performed, we conclude that there is a material misstatement in this other information; we are required to report that fact.

We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial

position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error. In preparing the 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 financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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 under section 143(5) of the Act and in accordance with the directions and sub directions issued by the Comptroller & Auditor General of India, under section 143(5) of the Act, we have complied with all the directions issued and our comments thereon is as per **Annexure "C"** to this report.
3. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
 - 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 Control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with 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:
 - 1) The Company has no pending litigations which may have an effect on its on its financial position in its financial.
 - 2) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

RAMANLAL G. SHAH & CO.

- 3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 4) The management has represented that, to the best of it's 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.
- 5) The management has represented, that, to the best of it's 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/s, 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.
- 6) Based on such audit procedures that we 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 (4) and (5) contain any material mis-statement.
- 7) No dividend has been declared or paid during the year by the Company.

Date: 3rd May, 2023
Place: Ahmedabad

For RAMANLAL G. SHAH & CO.
Chartered Accountants
(Firm Reg. No. 108517W)

SD/-
(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 23112269BGSLQC2003

ANNEXURE A TO AUDITORS' REPORT

(Referred to in paragraph under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment as well as intangible assets.
- (b) The Property, Plant & Equipment were physically verified during the year by the management as per the cycle of physical verification fixed there for. The discrepancies noticed on such verification, which were not significant, have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (d) During the year, the Company has not revalued any of its assets.
- (e) There are no proceedings initiated against the Company during the year under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) for holding any benami property.
- (ii) Due to the nature of operations of the Company, there is no inventory held by the Company during the year.
- (iii) The Company has not been sanctioned any working capital limits from any bank or financial institution during the year.
- (iv) According to the information and explanations given to us, during the year, the Company has neither made any investment in nor given any loans, security or guarantee or advances in the nature of loans, secured or unsecured to any other company, firm, limited liability partnerships or any other parties.
- (v) According to the information and explanations given to us, the Company has not given loans, made investments, given guarantees or security in terms of sections 185 and 186 of the Companies Act, 2013.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits, within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. No order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal.
- (vii) The maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Act.
- (viii) (a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Good & Service Tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. There are no such arrears as at 31st March, 2023 for a period more than six months from the date they became payable.
- (b) In our opinion and according to the information and explanations given to us, there are no dues of income tax or Good & Service Tax or duty of customs or duty of excise or value added tax that have not been deposited as on 31 March, 2023 on account of any dispute.
- (ix) According to the information and explanations given to us, there are no transactions which are unrecorded in the books of account of the Company and have been surrendered or disclosed as income during the year in the tax assessment under Income Tax Act, 1961.

RAMANLAL G. SHAH & CO.

- (x)
 - (a) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings or interest thereon to any banks, financial institutions or government or debenture holders as at the balance sheet date.
 - (b) According to the information and explanations given to us, the Company has not been declared 'wilful defaulter' by any bank or financial institution or any other lender.
 - (c) According to the records of the Company examined by us and the information and explanations given to us, the Company has applied proceeds of term loans for the purposes for which they were raised.
 - (d) According to the records of the Company examined by us and the information and explanations given to us, the Company has not raised short term funds during the year.
 - (e) According to the records of the Company examined by us and the information and explanations given to us, during the year, the Company has not taken any funds from any entity or person to meet the obligations of subsidiary, associates or joint ventures.
 - (f) According to the records of the Company examined by us and the information and explanations given to us, during the year, the Company has not raised any loan on pledge of security held in its subsidiary, associates or joint ventures.
- (xi)
 - (a) During the year, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments).
 - (b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xii)
 - (a) According to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
 - (b) According to the information and explanations given to us, there were no whistle blower complaints received during the year by the Company.
- (xiii) The Company is not a Nidhi Company. Consequently, requirements of clause (xii) of paragraph 3 of the Order are not applicable.
- (xiv) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- (xv)
 - (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) We have considered the reports of the internal auditors for the period under audit.
- (xvi) In our opinion and 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.
- (xvii) In our opinion, considering the nature of operations of the Company at present, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, nor is the Company a NBFC or a Core Investment Company.

RAMANLAL G. SHAH & CO.

- (xviii) The Company has not incurred cash losses during the year and the immediately preceding financial year.
- (xix) There is no resignation of statutory auditors during the year.
- (xx) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
- (xxi) In our opinion and according to the information and explanations given to us, provisions of section 135 of the Companies Act, 2013 are not applicable to the Company.
- (xxii) The Company does not have any subsidiary or associate and thus, provisions of clause (xxi) of paragraph 3 of the Order are not applicable.

Date: 3rd May, 2023

Place: Ahmedabad

For RAMANLAL G. SHAH & CO.
Chartered Accountants
(Firm Reg. No. 108517W)

SD/-
(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 23112269BGSLQC2003

ANNEXURE B TO AUDITORS' REPORT

Report on internal Financial Controls under Clause (i) of sub section 3 of section 143 of the Companies Act, 2013

We have audited the internal financial controls over financial reporting of StockHolding Securities IFSC Limited as at 31st March, 2023 in conjunction with our audit of the 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 principles as codified under the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the 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.

RAMANLAL G. SHAH & CO.

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, 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

Date: 3rd May, 2023
Place: Ahmedabad

For RAMANLAL G. SHAH & CO.
Chartered Accountants
(Firm Reg. No. 108517W)

SD/-
(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 23112269BGSLQC2003

RAMANLAL G. SHAH & CO.

ANNEXURE - C - AUDITORS' REPORT

REPORT OF THE STATUTORY AUDITORS UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 FOR FINANCIAL YEAR 2021-22

NAME & ADDRESS OF THE COMPANY

StockHolding Securities IFSC Limited,
Unit No. 518, Signature Building, 5th Floor,
Block 13B, Zone I, GIFT SEZ GIFT City,
Gandhinagar 382355

Sr.No.	QUESTIONNAIRE	RESPONSE / REMEDIAL MEASURES
1.	Whether the Company has system in place to process all the accounting transactions through IT system? If no, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the company is using Tally Primesoftware for accounting of all accounting transactions through IT systems. The Company does not process any accounting transaction outside of this system.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debt/ loan/ interest, etc. made by a lender to the Company due to the Company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases have been properly accounted for? (In case lender is a government company, then its direction is also applicable statutory auditor of lender company).	There are no cases of restructuring of loans or waiver of debts / loan / interest etc. during the year. Further, the Company is not a lender Company.
3.	Whether funds (grants/ subsidy) received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	During the year, the Company has not received/ does not have any funds receivable from specific schemes from Central/ State agencies.

Date: 3rd May, 2023
Place: Ahmedabad

For RAMANLAL G. SHAH & CO.
Chartered Accountants
(Firm Reg. No. 108517W)

SD/-
(Vivek S. Shah)
Partner
Membership No.112269
UDIN: 23112269BGSLQC2003

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF STOCKHOLDING SECURITIES IFSC LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of StockHolding Securities IFSC Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 3 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct the supplementary audit of the financial statements of StockHolding Securities IFSC Limited for the year ended 31 March 2023 under section 143(6)(a) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

SD/-

(Guljari Lal)
Director General of Audit (Shipping), Mumbai

Place: Mumbai
Date: 27.07.2023

STOCKHOLDING SECURITIES IFSC LIMITED
(CIN: U65990GJ2018GOI103278)

Balance Sheet As at 31-March-2023

	Particulars	Note	As at 31-Mar-2023		As at 31-Mar-2022	
			INR	USD	INR	USD
I.	ASSETS					
1	Non-Current Assets					
	(a) Property, Plant and Equipment	2a	19,39,846	29,511	26,77,091	38,167
	(b) Intangible assets	2b	1,57,266	2,658	2,81,813	4,127
	(c) Other Assets - Right to Use	2c	26,84,167	26,093	29,97,147	29,899
	(d) Financial Assets					
	(i) Advances & Deposits	3	3,86,46,005	4,70,049	3,55,55,952	4,69,032
	(e) Other Financial Assets					
	(f) Deferred tax assets (net)	4	1,57,910	2,290	1,96,906	2,765
	(g) Non-Current Tax Asset	5	2,43,919	2,967	1,58,870	2,096
2	Current Assets					
	(a) Current Investments	6	40,395	491	43,252	571
	(b) Inventories					
	(b) Financial Assets					
	(i) Trade receivables	7	0	0	11,71,443	15,453
	(ii) Cash and cash equivalents	7a	91,93,167	1,11,816	3,21,43,667	4,24,019
	(iii) Bank balances other than (ii) above	7b	4,80,96,887	5,85,000	2,27,42,130	3,00,000
	(iv) Advances and Deposits	8	7,07,10,680	8,60,050	16,95,23,718	22,36,251
	(v) Others (to be specified)	9	25,36,464	30,851	3,33,006	4,393
	(c) Current Tax Assets (Net)					
	(d) Other current assets					
	Total		17,44,06,704	21,21,777	26,78,24,995	35,26,772
II.	EQUITY AND LIABILITIES					
1	EQUITY					
	(a) EQUITY SHARE CAPITAL	10	20,00,00,000	27,97,608	18,00,00,000	25,44,756
	(b) OTHER EQUITY	11	(5,76,37,168)	(10,65,686)	(5,07,34,581)	(8,45,774)
			14,23,62,832	17,31,921	12,92,65,419	16,98,981
2	Non-Current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings unsecured loans		0	0	0	0
	(ii) Trade payables					
	(iii) Other financial liabilities (other than those specified in (b) below, to be specified)					
	(b) Provisions					
	(c) Deferred tax liabilities (Net)	4	1,51,865	1,954	1,04,195	1,374
	(d) Other non-current liabilities	12	15,33,660	18,654	17,46,089	23,033
3	Current Liabilities					
	(a) Financial Liabilities					
	(i) Borrowings					
	(ii) Trade and other payables	13a				
	Dues to Micro and Small enterprises		0	0	16,724	221
	Other than micro and small enterprises		83,96,667	1,02,128	1,37,82,534	1,81,810
	(iii) Other financial liabilities (other than Non-current those specified in (b) below, to be specified)	13b	2,19,41,208	2,66,870	12,28,87,131	16,21,050
	(b) Other current liabilities	14	20,471	249	22,904	302
	(c) Provisions					
	(d) Current Tax Liabilities (Net)					
	Total		17,44,06,704	21,21,777	26,78,24,995	35,26,772

See accompanying notes to the Financial Statement

1 to 26

The Notes referred to above form an integral part of the Statement of Profit and Loss

As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For Ramanlal G Shah & Co
Chartered Accountants
Firm Reg. No. 108517W

Arati Bhatt
CFO
Place: Gandhinagar

Ekta Shukla
Company Secretary
Place: Gandhinagar

CA VIVEK SHAH
PARTNER
MEM. NO: 112269

Manish Kumar Agrawal
MD & CEO
DIN: 10099187
Place: Gandhinagar

Shreekant Patwardhan
Director
DIN: 08490827
Place: Mumbai

Place: Ahmedabad
Date: 03rd May, 2023

STOCKHOLDING SECURITIES IFSC LIMITED
(CIN: U65990GJ2018GOI103278)

Statement of Profit and Loss for the period April 01, 2022 to Mar 31, 2023

	Particulars	Note	As at 31-Mar-2023		As at 31-Mar-2022	
			INR	USD	INR	USD
I	Revenue from Operations	15	3,95,044	4,914	2,28,548	3,067
II	Other Income	16	31,04,942	38,624	12,35,114	16,576
III	TOTAL REVENUE (I + II)		34,99,986	43,538	14,63,662	19,643
IV	EXPENSES					
	Employee Benefit Expenses	17	1,21,76,501	1,51,469	1,16,11,930	1,55,841
	Finance Costs	18	1,82,395	2,269	97,442	1,308
	Depreciation and Amortization Expenses	2a,2b & 2c	17,08,471	20,781	15,50,481	24,547
	Other Expenses	19	79,06,621	98,354	1,11,90,304	1,50,183
	TOTAL EXPENSES		2,19,73,988	2,72,874	2,44,50,158	3,31,879
V	Profit/(Loss) before Tax (III-IV)		(1,84,74,002)	(2,29,336)	(2,29,86,495)	(3,12,236)
VI	Tax Expense					
	Current Tax		-	-	-	-
	Deferred Tax		86,666	1,054	(1,632)	(22)
VII	Profit/(Loss) for the period from Continuing Operations(V-VI)		(1,85,60,669)	(2,30,390)	(2,29,84,863)	(3,12,214)
VIII	Profit/(Loss) from Discontinuing Operations		-	-	-	-
IX	Tax Expense of Discontinuing Operations		-	-	-	-
X	Profit/(Loss) from Discontinuing Operations (after tax)		-	-	-	-
XI	Profit (Loss) for the Period(VII+X)		(1,85,60,669)	(2,30,390)	(2,29,84,863)	(3,12,214)
XII	Other Comprehensive income					
	A Items that will not be reclassified to profit or loss					
	(i) Remeasurement of defined benefit plan					
	(ii) Income tax relating to items that will not be reclassified to profit or loss					
	(iii) Prior period adjustment for DTL recognition		-	-	(1,30,397)	(1,720)
	B Items that will be reclassified to profit or loss					
	(i) Foreign Currency translation reserve		1,16,58,081	10,478	50,09,157	8,841
	(ii) Income tax relating to items that will be reclassified to profit or loss					
	Total other comprehensive income for the period		1,16,58,081	10,478	48,78,760	7,121
	Total comprehensive income for the period (XI+XII)		(69,02,587)	(2,19,912)	(1,81,06,103)	(3,05,094)
XIII	Earnings per Equity Share	20	(0.96)	(0.01)	(1.44)	(0.01)
	-Basic		(0.96)	(0.01)	(1.44)	(0.02)
	-Diluted		(0.96)	(0.01)	(1.44)	(0.02)

See accompanying notes to the Financial Statement

1 to 26

The Notes referred to above form an integral part of the Statement of Profit and Loss
As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For Ramanlal G Shah & Co
Chartered Accountants
Firm Reg. No. 108517W

Arati Bhatt
CFO
Place: Gandhinagar

Ekta Shukla
Company Secretary
Place: Gandhinagar

CA VIVEK SHAH
PARTNER
MEM. NO: 112269

Manish Kumar Agrawal
MD & CEO
DIN: 10099187
Place: Gandhinagar

Shreekant Patwardhan
Director
DIN: 08490827
Place: Mumbai

Place: Ahmedabad
Date: 03rd May, 2023

STOCKHOLDING SECURITIES IFSC LIMITED
(CIN: U65990GJ2018GOI103278)

Cash flow statement for the period ended March 31, 2023

Particulars	Note	From April 01, 2022 to the period ended March 31, 2023	
		(Amount in INR)	(Amount in USD)
Cash flow from operating activities			
Profit / (loss) After Tax for the period		(1,85,60,669)	(2,30,390)
Adjustment to reconcile profit before tax to net cash flows :			
Depreciation and Amortisation Expenses		17,08,471	20,781
Income from Core Settlement Guarantee Fund		-	-
Foreign Currency translation reserve		1,16,58,081	10,478
Adjustments for Changes in operating Liability and Assets			
Increase/(Decrease) in Trade payable		(54,02,590)	(79,903)
Remeasurement of Defined benefit Plan		-	-
Provisions			
Increase/(Decrease) in Other Liabilities		(10,11,60,784)	(13,58,613)
Deferred Tax Asset		86,666	1,054
(Increase)/Decrease in Other Assets		9,46,08,779	13,63,386
		(1,70,62,045)	(2,73,206)
Taxes paid		-	-
Net cash generated from operating activities	A	(1,70,62,045)	(2,73,206)
Cash flow from investing activities			
Purchase of Property, Plant & Equipment and Intangible Assets		(5,33,700)	(6,849)
Fixed Deposits with Banks		(2,53,54,757)	(2,85,000)
Net cash generated/(Used in) from investment activities	B	(2,58,88,457)	(2,91,849)
Cash flow from financing activities			
Proceeds from allotment of equity share		2,00,00,000	2,52,852
Borrowing Unsecured Loans		-	-
Net cash generated from financing activities	C	2,00,00,000	2,52,852
Net increase in cash and cash equivalents	D = (A+B+C)	(2,29,50,502)	(3,12,203)
Cash and cash equivalents at the end of the period			
ICICI Bank Ltd (IBU)-USD		6,43,309	7,825
ICICI Bank Ltd (SNRR)-INR		16,03,079	19,498
ICICI Bank Client Account-USD		26,78,791	32,582
ICICI BANK IICCL Settlement Account-USD		30,87,068	37,548
ICICI BANK NICCL Settlement Account- USD		6,32,028	7,687
Kotak Mahindra Bank IBU		1,12,767	1,372
StateBank of India - USD		44,843	545
Yes Bank Ltd IBU		41,108	500
HDFC Bank IBU		1,99,378	2,425
Axis Bank Exchange Due Account		30,170	367
Axis Bank Client Account		16,443	200
ICICI Bank Exchange Dues -USD		1,04,181	1,267
	E	91,93,167	1,11,816
Cash and cash equivalents at the beginning of the period			
ICICI Bank Ltd (IBU)-USD		15,19,268	20,041
ICICI Bank Ltd (SNRR)-INR		10,34,934	13,652
ICICI Bank Client Account-USD		22,65,192	29,881
ICICI BANK IICCL Settlement Account-USD		2,18,71,749	2,88,518
ICICI BANK NICCL Settlement Account- USD		27,82,742	36,708
Kotak Mahindra Bank IBU		12,21,562	16,114
StateBank of India - USD		14,10,317	18,604
Yes Bank Ltd IBU		37,904	500
	F	3,21,43,667	4,24,019
Changes In cash and cash equivalents	G = (E-F)	(2,29,50,501)	(3,12,203)
Cash and cash equivalents at the end of the period	H = (D+F)	91,93,166	1,11,816
Cash and bank balance		91,93,166	1,11,816

Notes : 1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS).
2. Cash and cash equivalents comprise balances in current account.
As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For Ramanlal G Shah & Co
Chartered Accountants
Firm Reg. No. 108517W

Arati Bhatt
CFO
Place: Gandhinagar

Ekta Shukla
Company Secretary
Place: Gandhinagar

CA VIVEK SHAH
PARTNER
MEM. NO: 112269

Manish Kumar Agrawal
MD & CEO
DIN: 10099187
Place: Gandhinagar

Shreekant Patwardhan
Director
DIN: 08490827
Place: Mumbai

Place: Ahmedabad
Date: 03rd May, 2023

STOCKHOLDING SECURITIES IFSC LIMITED
(CIN: U65990GJ2018GOI103278)

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED MARCH 31, 2023

A Equity Share Capital

i) For the period ended March 31, 2023

Particulars	Balance at the beginning of the reporting date Amount In Rs.	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Balance as at Mar 31, 2023	18,00,00,000	-	18,00,00,000	2,00,00,000	20,00,00,000

ii) For the period ended March 31, 2022

Particulars	Balance at the beginning of the reporting date Amount In Rs.	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
Balance as at Mar 31, 2022	15,00,00,000	-	15,00,00,000	3,00,00,000	18,00,00,000

B Other Equity

STANDALONE STATEMENT OF CHANGES IN OTHER EQUITY FOR PERIOD ENDED Mar 31, 2023

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus			Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)*	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)								
Balance at the beginning of the current reporting period	-	-	-	-	-	-	-	-	-	1,15,69,958	(1,30,397)	-	(5,07,34,581)
Changes in accounting policy or prior period errors													-
Restated balance at the beginning of the current reporting period*					(6,21,74,142)					1,15,69,958	(1,30,397)		(5,07,34,581)
Total Comprehensive Income for the current year										1,16,58,081			(69,02,587)
Dividends													
Transfer to retained earnings													
Any other change (to be specified)													
Balance at the end of the current reporting period					(8,07,34,811)					2,32,28,039	(1,30,397)		(5,76,37,168)

*Prior period adjustment for DTL recognition

STANDALONE STATEMENT OF CHANGES IN OTHER EQUITY FOR PERIOD ENDED Mar 31, 2022

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)*	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings								
Balance at the beginning of the current reporting period	-	-	-	-	(3,91,89,279)						65,60,801			(3,26,28,478)
Changes in accounting policy or prior period errors														
Restated balance at the beginning of the current reporting period														
Total Comprehensive Income for the current year					(2,29,86,495)						50,09,157			(1,79,77,338)
Dividends														
Transfer to retained earnings														
Any other change (to be specified)														
Balance at the end of the current reporting period					(6,21,75,774)						1,15,69,958			(5,06,05,816)

In terms of our report attached As per our report of even date

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

For Ramanlal G Shah & Co
Chartered Accountants
Firm Reg. No. 108517W

Arati Bhatt
CFO
Place: Gandhinagar

Ekta Shukla
Company Secretary
Place: Gandhinagar

CA VIVEK SHAH
PARTNER
MEM. NO: 112269

Manish Kumar Agrawal
MD & CEO
DIN: 10099187
Place: Gandhinagar

Shreekant Patwardhan
Director
DIN: 08490827
Place: Mumbai

Place: Ahmedabad
Date: 03rd May, 2023

STOCKHOLDING SECURITIES IFSC LIMITED
(CIN: U65990GJ2018GOI103278)

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED March 31, 2023

A Equity Share Capital

i) For the period ended March 31, 2023

Particulars	Balance at the beginning of the reporting date Amount In USD	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the reporting period
Balance as at March 31, 2023	25,44,756	-	25,44,756	2,52,852	27,97,608

ii) For the period ended March 31, 2022

Particulars	Balance at the beginning of the reporting date Amount In USD	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the reporting period
Balance as at March 31, 2022	21,42,857	-	21,42,857	4,01,899	25,44,756

B Other Equity

STANDALONE STATEMENT OF CHANGES IN OTHER EQUITY FOR PERIOD ENDED March 31, 2023

Particulars	Share application money pending allotment	Equity component of compound financial Instruments	Reserves & Surplus				Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)*	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings								
Balance as at April 01, 2022	-	-	-	-	-	-	-	-	-	-	9,053	-	-	(8,44,054)
Changes in accounting policy or prior period errors												(1,720)		(1,720)
Restated balance at the beginning of the current reporting period*				(8,53,107)							9,053	(1,720)		(8,45,774)
Total Comprehensive Income for the current year				(2,30,390)							10,478			(2,19,912)
Dividends														
Transfer to retained earnings														
Any other change (to be specified)														
Balance as at Mar 31, 2023				(10,83,497)							19,531	(1,720)		(10,65,686)

*Opening Balance adjustment pertaining to FY: 21-22 for which adjustment effect has been given in the last years' accounts

STANDALONE STATEMENT OF CHANGES IN OTHER EQUITY FOR THE YEAR ENDED March 31, 2022

Particulars	Share application money pending allotment	Equity component of compound financial instruments	Reserves & Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)*	Money received against share warrants	Total
			Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings								
Balance as at April 01, 2021	-	-	-	-	(5,40,893)						212			(5,40,681)
Changes in accounting policy or prior period errors														
Restated balance at the beginning of the current reporting period														
Total Comprehensive Income for the current year					(3,12,214)						8,841			(3,03,373)
Dividends														
Transfer to retained earnings														
Any other change (to be specified)														
Balance as at March 31, 2022					(8,53,107)						9,053			(8,44,054)

In terms of our report attached
As per our report of even date

For Ramamal G Shah & Co
Chartered Accountants
Firm Reg. No. 108517W

Arati Bhatt
CFO
Place: Gandhinagar

Ekta Shukla
Company Secretary
Place: Gandhinagar

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

CA VIVEK SHAH
PARTNER
MEM. NO: 112269

Manish Kumar Agrawal
MD & CEO
DIN: 10099187
Place: Gandhinagar

Shreekant Patwardhan
Director
DIN: 08490827
Place: Mumbai

Place: Ahmedabad
Date: 03rd May, 2023

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Note 1

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

Corporate information

Stock Holding Securities IFSC Limited (SSIL or Company) was promoted by the public financial institutions and incorporated as a limited company on July 16, 2018. Its registered office and principal place of business is 518, Signature Building, Gift SEZ, Gift City, Gandhinagar, Gujarat 382355, India.

The company is a wholly owned subsidiary of Stock Holding Corporation of India Limited. With effect from 28th March, 2014, Stock Holding Corporation of India Ltd. (Stock Holding) - the Holding Company, has become a subsidiary of IFCI Ltd. & hence, IFCI Ltd. is the Ultimate Holding Company for Stock Holding Securities IFSC Ltd. from the date of inception.

During the FY 2020-21, the Government of India has notified International Financial Services Centres Authority (IFSCA) as a unified authority for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC) in India. Accordingly, w.e.f October 1, 2020 the operations of the Company are governed by the regulations issued by IFSCA from time to time.

The financial statements of the Company have been prepared in accordance with Ind-AS as issued by the Ministry of Corporate Affairs (MCA). SSIL is a SEBI approved Trading and Clearing member operating out of GIFT IFSC, Gift City, Gandhinagar. SSIL has also received approval for Depository Participant Services and Trading Clearing Membership of India International Bullion Exchange from IFSCA.

In accordance with the provisions of the GIFT SEZ as applicable to IFSC jurisdiction, the Company maintains its accounts in USD which is the functional currency. Investments, deposits, income, provisions and expenses arising and settled in IFSC or any other foreign jurisdiction are accounted and settled in USD currency. All other revenue expenses, provisions, write backs and asset procurements are incurred and settled in INR currency and accounted for in the functional currency.

1. Significant Accounting Policies

Overall consideration

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below. These were used throughout all periods presented in the financial statements, except where the company has applied certain accounting policies and exemptions upon transition to Ind AS.

1.1. Basis of preparation

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain assets and liabilities where fair value model has been used, e.g., certain financial assets and liabilities measured at fairvalue, etc. The Ind AS are prescribed under section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.2. Use of Estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

application of accounting policies and their reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3. Current/non-current classification

Assets and liabilities in the balance sheet are classified into current/ non-current. An asset is classified as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

1.4. Foreign currency translation

Functional and presentation currency

The financial statements are presented in INR, which is the reporting or presentation currency. In addition, the corresponding figures for USD which is the functional currency are also stated alongside to meet any requirements for an SEZ company.

Foreign currency transactions and balances

- i) Transactions denominated in foreign currency (i.e., other than the functional currency) are normally recorded at the exchange rate prevailing at the date of transaction.
- ii) Invoices raised in INR currency are recorded as per (i) above and the same are paid in INR currency. Any income or expenses on account of exchange difference either on settlement or on translation is recognised in the Statement of Profit and Loss.
- iii) Monetary items denominated in foreign currencies at the end of the period are restated at the closing rates.
- iv) Non-monetary items denominated in foreign currencies are carried at cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

1.5. Revenue

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind-AS 115, Revenue from Contracts with Customers, to determine when to recognize revenue and at what amount. Revenue is measured based on the consideration specified in the contract with a customer. Revenue arises from the rendering of services and Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of services rendered is excluding Goods and Services Tax and reduced by various discounts allowed/schemes offered by the Company as a part of the contract.

The Company applies the five-step approach for recognition of revenue:

1. Identification of contract(s) with customers;
2. Identification of the separate performance obligations in the contract;
3. Determination of transaction price;
4. Allocation of transaction price to the separate performance obligations; and
5. Recognition of revenue when (or as) each performance obligation is satisfied

The Company applies the revenue recognition criteria set out below to each separately identifiable component of the sales transaction. The consideration received from these multiple-component transactions is allocated to each separately identifiable component in proportion to its relative transaction price.

(a) Rendering of Services

Service charges received are recognised as income on completion of post-trading operations. A post trading operation is treated as complete on settlement under the electronic segment. and on lodgment/ delivery of securities under the paper segment.

Annual maintenance charges received from beneficiary account holders / clearing members for depository services are amortised on time proportion basis over the period of contract.

Commission and brokerage income recognised on accrual basis.

(b) Interest and Dividends

Interest income, for all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

Dividend income is recognised when the right to receive dividend is established.

1.6. Segment and Revenue Reporting

The company has started operations w.e.f. October 31,2019 and is operative in only one segment i.e. Capital Market Segment and hence for the period ending March 31,2023, segment reporting does not apply.

1.7. Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or as incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

1.8. Property, plant and equipment

Where Items of Property, Plant and Equipment (PP&E) are installed for use, the same are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any.

Items of property, plant and equipment (PP&E) are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure related to an item of PP&E are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Depreciation on PP & E is charged under the straightline method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 or at such higher rates for assets wherein a lesser useful life has been estimated due to rapid advancement in technology.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

1.9. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Where computer software which forms an integral part of the related hardware, it is capitalised along with the hardware as fixed asset. Software which are not an integral part of computer hardware and from which future economic benefits are expected are treated as intangible assets.

Software developed internally or major customisations to acquired software is recognised as an asset at cost when significant economic benefits are expected to accrue in future. Cost comprises all expenditure that can be directly attributed for creation, production and making the software ready for its intended use.

1.10. Income taxes

Tax expense for the Period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Provision for current income tax is made on the basis of the assessable income under the Income tax Act, 1961.

Tax expense recognised in profit or loss comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method.

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

1.11. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. Bank balances held in INR (in SNRR Account) are converted to functional currency USD at the period rate for the purpose of reporting.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

1.12. Financial Instruments

Recognition, Initial Measurement and De-recognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities except for those carried at fair value through profit or loss which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities is described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Initial Recognition and Measurement

All financial assets are recognised initially at fair value except for trade receivable which are initially measured at transaction price. Financial assets not recorded at fair value through profit or loss are recognised at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement of Financial Assets at FVTPL:

Derivatives & Equity investments held for trading is classified at FVTPL (Fair Value through Profit & Loss Account). Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

De-recognition

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset but assumes a contractual obligation to pay the cash flows to one or more recipients.

1.13. Equity, Reserves and Dividend payments

Share capital represents the nominal (par) value of shares that have been issued. Share premium includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits. Other components of equity include the following:

- remeasurement of net defined benefit liability – comprises the actuarial losses from changes in demographic and financial assumptions and the return on plan assets Retained earnings include all current and prior period retained profits.

All transactions with owners of the parent are recorded separately within equity.

Dividend distributions payable to equity shareholders, if any, are included in other liabilities when the dividends have been approved in a general meeting prior to the reporting date.

1.14. Post-employment benefits and short-term employee benefits

The company currently has employees deputed from the holding company i.e., StockHolding Corporation of India Limited and three employees on the rolls of SSIL. The deputed employees are covered under the

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

applicable plans of the holding company for post-employment benefit plans, defined contribution plans etc. The Provident Fund Scheme contributions for the employees of SSIL are being paid as scheduled and a suitable policy for insurance is in place while policy for post employment benefits is under formulation.

1.15. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and as realisable estimate can be made of the amount of the obligation. When the Company expects some or all of the provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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

1.16. Contingent liabilities

Contingent Liabilities are not recognised but are disclosed in notes in respect of possible obligations that arise from past events but their existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

1.17. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss before other comprehensive income for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before other comprehensive income for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

1.18. Significant accounting judgements, estimates and assumptions

When preparing the financial statements, management makes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses. Previous period figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current period classification / disclosure.

The following are significant management judgements in applying the accounting policies of the Company that have the most significant effect on the financial statements.

a) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

b) Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date,

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of certain software and IT equipment.

Depreciation on PP&E is charged under the straight line method over the useful life of the assets as specified in Schedule II to the Companies Act, 2013 except for some items as listed in the below tabulated class of assets wherein a lesser useful life has been estimated due to rapid advancement in technology:

Asset Class	Useful Life adopted	Useful Life as per Companies Act, 2013
Computer servers and networks	4 years	6 years
Office Equipment	5 years	5 years
Electrical Installations and Equipment	10 years	10 years
Computer software	3 years	3 years
Furniture & Fixtures	10 years	10 years
Vehicles	3 years	8 years
Mobiles	2 years	5 years

NON CURRENT ASSETS

2a) Property, Plant and Equipment

The changes in the carrying value of Property, Plant and Equipment for the period ended March 31, 2023 are as follows:

Particulars	Leasehold Fittings		Plant & Machinery		Computer Hardware		Server & Networking		Furniture & Fixtures		Office Equipment		Vehicles		Total	
	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD
Gross carrying value as at April 1, 2022	8,52,055	12,267	1,58,560	2,282	10,21,200	13,951	13,30,045	18,477	2,02,330	2,913	2,97,890	4,226	9,16,178	12,103	47,78,258	66,220
Additions					89,700	1,160	3,75,500	4,835			20,999	286			4,65,200	5,995
Deletions															20,999	286
Gross carrying value as at Mar 31, 2023	8,52,055	12,267	1,58,560	2,282	11,10,900	15,111	17,05,545	23,312	2,02,330	2,913	2,76,891	3,940	9,16,178	12,103	52,22,459	71,929
Accumulated depreciation as at April 1, 2022	2,66,122	3,555	30,902	412	4,41,548	5,765	5,97,375	7,986	56,875	760	1,69,516	2,371	5,38,830	7,204	21,01,168	28,053
Additions	94,673	1,152	10,571	129	2,96,270	3,604	4,11,212	5,002	20,233	246	59,924	730	3,05,393	3,714	11,98,275	14,576
Deletions															16,830	211
Accumulated depreciation as at Mar 31, 2023	3,60,795	4,706	41,473	541	7,37,818	9,368	10,08,587	12,988	77,108	1,006	2,12,610	2,890	8,44,223	10,919	32,82,612	42,418
Carrying value as at Mar 31, 2023	4,91,260	7,561	1,17,087	1,741	3,73,082	5,743	6,96,958	10,325	1,25,222	1,907	64,281	1,050	71,955	1,185	19,39,846	29,511

2b) Intangible Assets

The changes in the carrying value of Intangible Assets for the period ended March 31, 2023 are as follows:

Particulars	Computer Software		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2022	8,04,034	11,112	8,04,034	11,112
Additions	63,500	818	63,500	818
Deletions				
Gross carrying value as at Mar 31, 2023	8,67,534	11,929	8,67,534	11,929
Accumulated depreciation as at April 1, 2022	5,22,221	6,984	5,22,221	6,984
Additions	1,88,047	2,287	1,88,047	2,287
Deletions				
Accumulated depreciation as at Mar 31, 2023	7,10,268	9,272	7,10,268	9,272
Carrying value as at Mar 31, 2023	1,57,266	2,658	1,57,266	2,658

2c) Other Assets- Right to Use

The changes in the carrying value of Other Intangible Asset for the period ended March 31, 2023 are as follows:

Particulars	Leasehold Premises		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2022	39,66,216	42,199	39,66,216	42,199
Additions	9,169	112	9,169	112
Deletions		0		0
Gross carrying value as at Mar 31, 2023	39,75,385	42,310	39,75,385	42,310
Accumulated depreciation as at April 1, 2022	9,69,070	12,299	9,69,070	12,299
Addition	3,22,149	3,918	3,22,149	3,918
Deletion		0		0
Accumulated depreciation as at Mar 31, 2023	12,91,219	16,218	12,91,219	16,218
Carrying value as at Mar 31, 2023	26,84,167	26,093	26,84,167	26,093

NON CURRENT ASSETS

2a) Property, Plant and Equipment

The changes in the carrying value of Property, Plant and Equipment for the period ended March 31, 2022 are as follows:

Particulars	Leasehold Fittings		Plant & Machinery		Computer Hardware		Server & Networking		Furniture & Fixtures		Office Equipment		Vehicles		Total	
	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD	Amt. in Rs	Amt. in USD
Gross carrying value as at April 1, 2021	8,52,055	12,267	1,58,560	2,282	4,10,800	5,765	9,56,045	13,510	2,913	2,02,330	4,226	2,97,890	9,16,178	12,103	37,93,858	53,066
Additions					6,10,400	8,187	3,74,000	4,968							9,84,400	13,155
Deletions																0
Gross carrying value as at March 31, 2022	8,52,055	12,267	1,58,560	2,282	10,21,200	13,951	13,30,045	18,477	2,913	2,02,330	4,226	2,97,890	9,16,178	12,103	47,78,258	66,220
Accumulated depreciation as at April 1, 2021	1,71,449	2,306	20,331	273	1,76,098	2,263	3,48,117	4,698	493	36,642	1,395	95,539	2,33,437	3,176	10,81,613	14,604
Depreciation	94,673	1,249	10,571	139	2,65,450	3,502	2,49,258	3,288	267	73,977	976	73,977	3,05,393	4,029	10,19,553	13,449
Accumulated depreciation as at Mar 31, 2022	2,66,122	3,555	30,902	412	4,41,548	5,765	5,97,375	7,986	760	56,875	2,371	1,69,516	5,38,830	7,205	21,01,166	28,053
Carrying value as at March 31, 2022	5,85,933	8,712	1,27,658	1,870	5,79,653	8,187	7,32,670	10,491	2,153	1,45,455	1,855	1,28,374	3,77,348	4,899	26,77,091	38,167

2b) Intangible Assets

The changes in the carrying value of Intangible Assets for the period ended March 31, 2022 are as follows:

Particulars	Computer Software		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2021	5,89,484	8,219	5,89,484	8,219
Additions	2,14,550	2,892	2,14,550	2,892
Deletions				
Gross carrying value as at March 31, 2022	8,04,034	11,112	8,04,034	11,112
Accumulated depreciation as at April 1, 2021	3,11,150	4,200	3,11,150	4,200
Depreciation	2,11,071	2,784	2,11,071	2,784
Accumulated depreciation as at March 31, 2022	5,22,221	6,984	5,22,221	6,984
Carrying value as at March 31, 2022	2,81,813	4,127	2,81,813	4,127

2c) Other Assets- Right to Use

The changes in the carrying value of Other Intangible Asset for the period ended March 31, 2022 are as follows:

Particulars	Leasehold Premises		Total	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Gross carrying value as at April 1, 2021	39,46,005	56,980	39,46,005	56,980
Additions	11,04,938	15,032	11,04,938	15,032
Deletions	10,84,726	29,814	10,84,726	29,814
Gross carrying value as at March 31, 2022	39,66,216	42,198	39,66,216	42,198
Accumulated depreciation as at April 1, 2021	13,28,127	17,850	13,28,127	17,850
Addition	3,19,857	8,314	3,19,857	8,314
Deletion	6,78,915	13,864	6,78,915	13,864
Accumulated depreciation as at March 31, 2022	9,69,070	12,299	9,69,070	12,299
Carrying value as at March 31, 2022	29,97,147	29,899	29,97,147	29,899

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Financial Assets- Non Current

3. Advances & Deposits

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Base Minimum Capital with Exchanges (USD)	1,56,82,874	1,90,750	1,44,60,204	1,90,750
Security Deposit with Exchanges, Clearing Corporations & Depository (USD)	2,26,09,648	2,75,000	2,08,46,953	2,75,000
Security Deposit Others:	2,90,596	3,535	2,48,795	3,282
a) Premises	1,75,399	2,133	1,32,871	1,753
b) Custody Fees	1,03,384	1,257	95,324	1,257
c) Electricity Deposit	11,813	144	10,892	144
d) Guest House	0	0	9,708	128
Staff Loans - considered good	62,887	765	0	0
Total	3,86,46,005	4,70,049	3,55,55,952	4,69,032

**Comprise of various deposits given in INR

4. Deferred Tax Asset (DTA)/Deferred Tax Liability (DTL)

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Opening Balance - DTA	1,96,906	4,485	2,21,476	3,089
Adjustment to Opening Balance for last year's prior period item*		(1,720)	-	-
Add: Timing Diff due to Depreciation as per Income Tax & Companies Act	-	-	40,629	536
Prior period adjustment for Preliminary Exps & Depreciation	(38,997)	(474)	(65,198)	(860)
Adjusted Opening Balance Deferred Tax Asset (net)	1,57,910	2,290	1,96,906	2,765
Opening Balance - DTL	1,04,195	1,374	0	0
Add: Preliminary Expenses (1/5th written off as per Income Tax Act)	-	-	38,997	514
Prior period adjustment for Preliminary Exps & Depreciation	47,670	580	65,198	860
Deferred Tax Liability (net)	1,51,865	1,954	1,04,195	1,374

*Opening Balance (USD) of DTA account adjusted for this amount, pertaining to F.Y. 21-22 for which adjustment effect has been given in the last years' accounts

5. Non Current Tax Asset

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Tax Deducted at Source (USD)	2,43,919	2,967	1,58,870	2,096

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Financial Assets – Current

6. Current Investments

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Investment in UDR	40,395	491	43,252	571

7. Trade Receivables

Particulars	Outstanding for following periods from due date of payment - as at 31-Mar-2023											
	Amount in Rs.						Amount in USD					
	Less Than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total Rs	Less Than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total Rs
i. Undisputed Trade Receivables considered good*	-					-	0					0
ii. Undisputed Trade Receivables considered Doubtful						-						-
iii. Disputed Trade Receivables considered Good						-						-
iv. Disputed Trade Receivables considered Doubtful						-						-

Particulars	Outstanding for following periods from due date of payment - as at 31-Mar-2022											
	Amount in Rs.						Amount in USD					
	Less Than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total Rs	Less Than 6 Months	6 Months to 1 year	1-2 Years	2-3 Years	More than 3 years	Total USD
i. Undisputed Trade Receivables considered good*	11,71,443					11,71,443	15,453					15,453
ii. Undisputed Trade Receivables considered Doubtful						-						-
iii. Disputed Trade Receivables considered Good						-						-
iv. Disputed Trade Receivables considered Doubtful						-						-

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

7a. Cash & Cash Equivalents

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Balances with Banks in current accounts held in USD **	75,90,087	92,318	3,11,08,732	4,10,367
Balance with Bank in current account held in INR -SNRR Account ***	16,03,079	19,498	10,34,934	13,652
Total	91,93,167	1,11,816	3,21,43,667	4,24,019

** Balances As on Mar 31,2023 with Banks in Current Accounts held in USD includes: balances held in separate client account USD 32,582

*** Balance in the SNRR current account are held in INR currency and converted to USD for reporting purpose.

7b. Bank Balances other than Cash & Cash Equivalents

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Balances with Banks in Deposit Accounts in USD with maturity more than 3 months (With premature withdrawal option)	4,80,96,887	5,85,000	2,27,42,130	3,00,000

8. Advances & Deposits

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Margin Fixed Deposits with Clearing Corporations (USD)	6,98,84,365	8,50,000	12,12,91,360	16,00,000
Cash Margin with Clearing Corporations (USD)	0	0	4,77,05,431	6,29,300
Prepaid Expenses (paid in USD & INR)	8,26,315	10,050	5,26,928	6,951
Total	7,07,10,680	8,60,050	16,95,23,718	22,36,251

9. Other Financial Assets

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Accrued FD Interest on USD Deposits	24,99,511	30,401	3,04,211	4,013
Input Credit Goods & Service Tax	36,952	449	28,795	380
Total	25,36,464	30,851	3,33,006	4,393

10. Equity Share Capital

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Authorised Capital				
2,00,00,000 Equity shares of Rs 10/- each	20,00,00,000	27,97,608	20,00,00,000	26,38,275
Issues, Subscribed and Paid-up Capital				
Opening Balance	18,00,00,000	25,44,756	15,00,00,000	21,42,857
Addition during the half year	2,00,00,000	2,52,852	3,00,00,000	4,01,899
Closing Balance	20,00,00,000	27,97,608	18,00,00,000	25,44,756

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

a. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

b. Equity shares held by holding company

Name of Shareholder	Stock Holding Corporation of India Limited
Number of equity shares held	2,00,00,000
Percentage of Holding	100
Percentage Change	NIL

c. Information regarding issue of shares in the last five years

- The company has issued 1,50,00,000 shares of Rs 10 each at par on 9th January 2019 for cash received
- The company has issued 10,00,000 shares of Rs. 10 each as preferential allotment on September 25, 2021 for cash received
- The company has issued 10,00,000 shares of Rs. 10 each as preferential allotment on December 06, 2021 for cash received
- The company has issued 10,00,000 shares of Rs. 10 each as preferential allotment on March 02, 2022 for cash received
- The company has issued 10,00,000 shares of Rs. 10 each as preferential allotment on June 24, 2022 for cash received
- The company has issued 10,00,000 shares of Rs. 10 each as preferential allotment on August 30, 2022 for cash received
- The company has not issued any shares without payment being received in cash.
- The company has not issued any bonus shares.
- The company has not undertaken any buy-back of shares

11. Other Equity

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Profit & Loss Account				
Opening Balance	(6,21,74,142)	(8,53,107)	(3,91,89,279)	(5,40,893)
(+) Net profit/ (Net loss) for the Current Period	(1,85,60,669)	(2,30,390)	(2,29,84,863)	(3,12,214)
Closing balance	(8,07,34,811)	(10,83,497)	(6,21,74,142)	(8,53,107)
Other Comprehensive Income				
Opening Balance	1,14,39,561	9,053	65,60,801	212
Adjustment to Opening Balance for last year's prior period item*	-	(1,720)	-	-
(+) Net profit/(Net loss) for the Current Period	-	-	-	-
Foreign Exchange Translation Reserve	1,16,58,081	10,478	50,09,157	8,841
Prior Period Adjustment for DTL recognition	-	-	(1,30,397)	(1,720)
Closing balance	2,30,97,642	17,811	1,14,39,561	7,333
Total	(5,76,37,168)	(10,65,686)	(5,07,34,581)	(8,45,774)
Cash Loss for the Current Period	(1,68,52,197)	(2,09,609)	(2,14,34,382)	(2,87,667)

*Opening Balance (USD) of DTA account adjusted for this amount, pertaining to F.Y. 21-22 for which adjustment effect has been given in the last years' accounts

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

Non-Current Liabilities-Financial Liabilities

12. Other Non Current Liabilities

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Right to use Liabilities	15,33,660	18,654	17,46,088	23,033

Current Liabilities-Financial Liabilities

13a) Trade and other payables

Particulars	Outstanding for following periods from due date of payment - as at 31-Mar-2023									
	Amount in Rs.					Amount in USD				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total Rs	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total USD
i. Dues to Micro and Small enterprises (Refer Note:20)	0				0	0				0
ii. Other than micro and small enterprises	83,96,667	0	0		83,96,667	1,02,128	0			1,02,128
iii Disputed Dues- MSME					-					-
iv. Disputed Dues - Others					-					-

Particulars	Outstanding for following periods from due date of payment - as at 31-Mar-2022									
	Amount in Rs.					Amount in USD				
	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total Rs	Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	Total USD
i. Dues to Micro and Small enterprises (Refer Note:20)	16,724				16,724	221				221
ii. Other than micro and small enterprises	72,60,240	65,22,294			1,37,82,534	95,772	86,038			1,81,810
iii Disputed Dues- MSME					-					-
iv. Disputed Dues - Others					-					-

13b) Other Financial Liabilities

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Imprest Balances, Margins and Security Deposits from Clients (USD)*	1,92,22,619	2,33,804	12,07,21,654	15,92,485
Provision for Expenses	23,67,330	28,794	20,67,620	27,275
Settlement Obligation from Clearing Corporation (Payable)	1,74,592	2,124		
Other Payables	1,76,668	2,149	97,857	1,291
Total	2,19,41,208	2,66,870	12,28,87,131	16,21,050

*Balances held in separate Client Bank Account or in the Clearing Corporation Settlement Account for meeting client obligation

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

14. Other Current Liabilities

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Statutory Dues - Provident Fund*	20,471	249	22,904	302
Total	20,471	249	22,904	302

* paid in April'23 before due date

15. Revenue from Operations

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Service Charges (USD)	3,76,528	4,684	2,28,548	3,067
Brokerage Income	18,516	230	-	0
	3,95,044	4,914	2,28,548	3,067

16. Other Income

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Income from Proprietary Trading (USD)	(2,54,482)	(3,165.62)	1,21,349	1,628.60
LES incentive	4,094	51	4,059	54
Interest on Fixed Deposits (USD)	31,13,286	38,727.67	8,45,162	11,343
Profit/Loss on disposal of ROU Asset	-		(22,488)	-302
Interest on IT Refund	7,510	93.42	8,956	120
Interest Others- ROU Interest/ Dividend	15,746	195.87	16,127	216
Miscellaneous Income (Provisions written back, Sitting Fees & Others)	2,18,787	2,721.60	2,61,949	3,516
Total	31,04,942	38,624	12,35,114	16,576

17. Employee benefit expense

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Salary Allowances and Bonus	1,07,55,887	1,33,798	1,04,71,589	1,40,537
Contribution to provident and other funds	8,63,194	10,738	7,48,475	10,045
Gratuity	1,15,411	1,436	2,01,701	2,707
Staff Welfare Expenses	4,42,010	5,498	1,90,164	2,552
Total	1,21,76,501	1,51,469	1,16,11,930	1,55,841

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

18. Finance Costs

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
ROU Interest	1,82,395	2,269	97,442	1,308
	1,82,395	2,269	97,442	1,308

19. Other Expenses

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Rent, Taxes & Energy Cost				
Electricity & Chilled Water Charges	1,27,197	1,582	1,11,256	1,493
Repairs & Maintenance				
Repairs & maintenance- Building	72,626	903	51,191	687
Repairs & maintenance- Others	1,07,033	1,331	35,885	482
Communication Costs				
Connectivity Charges	2,18,405	2,717	81,039	1,088
Telephone & Communication	51,129	636	2,15,990	2,899
Postage & Courier	7,016	87	11,750	158
Printing & Stationary	1,72,400	2,145	82,946	1,113
Software Expenses	20,55,143	25,565	15,39,521	20,662
Advertisement & Publicity				
Advertisement & Business Promotion	1,37,425	1,710	63,449	852
Board & Committee Meeting Expenses & Sitting Fees	16,85,431	20,966	22,40,524	30,070
Audit Fees (Refer Note: 23)	2,15,800	2,684	1,88,495	2,530
Legal & Professional Charges				
Legal Fees	7,216	90	35,24,200	47,298
Professional and Retainership Fees	17,56,411	21,849	6,34,465	8,515
Insurance Expenses	20,176	251	6,604	89
Other Expenditure				
Exchange, Depository & IFSCA Charges	1,15,990	1,443	-	-
Bank Charges	27,438	341	4,982	67
Custody Fees	46,627	580	52,894	710
Travelling & Conveyance	1,56,374	1,945	30,653	411
Website Expenses	2,74,345	3,413	3,23,436	4,341
Share Allotment Expenses	15,750	196	16,042	215
Membership & Subscription	5,31,209	6,608	13,96,004	18,735
Interest Payable on Client Margin FD	10,505	131	67,803	910
Seminar, Training & Recruitment Expenses	20,609	256	1,66,501	2,235
Miscellaneous Expenses	52,204	649	1,74,799	2,346
Vehicle Expenses	22,160	276	1,69,875	2,280
Total	79,06,621	98,354	1,11,90,304	1,50,183

Previous period figures have been regrouped / reclassified and rearranged wherever necessary to correspond with the current period classification / disclosure.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

20. Earnings per Share

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Profit for the period as per Statement of Profit and Loss	(1,85,60,669)	(2,30,390)	(2,29,84,863)	(3,12,214)
No. of shares ay the beginning of the year	1,80,00,000	1,80,00,000	1,50,00,000	1,50,00,000
No of shares at the end of the period	2,00,00,000	2,00,00,000	1,80,00,000	1,80,00,000
Weighted average number of shares outstanding during the period (Nos)	1,93,56,164	1,87,15,846	1,59,66,667	1,59,66,667
Earning per share for the year in Rs	(0.96)	(0.01)	(1.44)	(0.02)
Basic/ Diluted Rs	(0.96)	(0.01)	(1.44)	(0.02)

21. Details of dues to Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006

Based on the information with the Company, the amount overdue to the suppliers as defined under the Micro, Small and Medium Enterprises Development Act, 2006 as at Mar 31, 2023 on account of principal amount together with interest is INR NIL (USD NIL) (Previous Year: Rs. NIL).

The details of amounts outstanding to Micro, Small and Medium Enterprises based on information available with the Company is as under:

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Principal amount due and remaining unpaid	0	0	16,724	221
Interest due on above and the unpaid interest	-	-	-	-
Interest paid	-	-	-	-
Payment made beyond the appointed day during the year	-	-	-	-
Interest due and payable for the period of delay	-	-	-	-
Interest accrued and remain unpaid	-	-	-	-
Amount of further interest remaining due and payable in succeeding year	-	-	-	-

22. Managerial Remuneration

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
M.D & CEO, CFO and CS				
Salary & Allowances	78,75,985	97,973	79,37,629	1,06,529
Contribution to provident and other funds	4,34,936	5,410	3,63,832	4,883
Total	83,10,921	1,03,384	83,01,461	1,11,412

23. Auditors Remuneration

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
As Auditor:				
Audit Fees- Statutory Audit Fees	97,777	1,216	98,291	1,319
Audit Fees- certification & Other Fees	1,18,023	1,468	90,204	1,211
Total	2,15,800	2,684	1,88,495	2,530

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

24. Ratios

Name of the Ratio	Numerator	Denominator	Ratio	Numerator	Denominator	Ratio	% Change	Explanation for changes in ratio for more than 25%
	As at 31-Mar-2023			As at 31-Mar-2022				
Current Ratio (Current Assets/Current Liabilities)	13,05,37,197	3,03,58,347	4.30	22,59,57,215	13,67,09,293	1.65	160.15	Change due to decrease in Current Liabilities due to repayment of creditors
Debt - Equity Ratio (Total Liabilities/Total Shareholder's Equity)	3,20,43,872	14,23,62,832	0.23	13,85,59,576	12,92,65,419	1.07	-79.00	Decrease by 79% due to decrease in Liabilities
Debt Service Coverage Ratio (EBIT/Interest Expense)	-	-	-	-	-	-	-	
Return on Equity Ratio (PAT/Shareholder's Equity)	-1,85,60,669	14,23,62,832	-13%	-2,29,84,863	12,92,65,419	-18%	-26.68	Ratio has decreased on account of increase in Shareholder's funds
Inventory Turnover Ratio	-	-	-	-	-	-	-	
Trade Receivable Turnover Ratio (Turnover/Average Debtors)	3,95,044	0	0.00	2,28,548	5,85,721	0.00%	0.00	N.A.
Trade Payable Turnover Ratio (Turnover/Average Creditors)	3,95,044	41,98,334	0.09	2,28,548	68,99,629	3%	184.06	Ratio has increased due to increase in turnover and decrease in creditors
Net Capital Turnover Ratio (Turnover/Net Equity)	3,95,044	14,23,62,832	0.28%	2,28,548	12,92,65,419	0.18%	56.95	Ratio increased due to increase in turnover
Net Profit Ratio (PAT/Turnover)	-1,85,60,669	3,95,044	-4698%	-2,29,84,863	2,28,548	-10057%	-53.28	Ratio increased due to increase in turnover
Return on Capital Employed (EBIT/Net Equity)	-1,84,74,002	14,23,62,832	-13%	-2,29,86,495	12,92,65,419	-18%	-27.03	Ratio has decreased on account of increase in Shareholder's funds
Return on Investment (PAT/Total Assets)	-1,85,60,669	14,23,62,832	-13%	-2,29,84,863	12,92,65,419	-18%	-26.68	Ratio has decreased on account of increase in Shareholder's funds

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2023

25. Foreign Currency Exposure

Particulars	As at 31-Mar-2023		As at 31-Mar-2022	
	Amount in Rs	Amount in USD	Amount in Rs	Amount in USD
Particulars of unhedged foreign currency exposure as at the balance sheet date*	-	-	-	-
Total	0	0	0	0

* Transactions (income as well as expenses) in GIFT IFSC are incurred in foreign currency and the books of accounts are maintained in foreign currency. Expenses incurred in INR are through a designated Bank Account (SNRR Account) funded by transferring funds from the foreign currency bank account. Since the fund transfer is an ongoing process does not require hedging.

26. Related Parties

a. List of Related Parties

Ultimate Holding Company	IFCI Limited
Holding Company	Stock Holding Corporation of India Limited
Fellow and Associate Subsidiaries	IFCI Venture Capital Funds Limited IFCI Infrastructure Development Limited IFCI Financial Services Limited StockHolding Services Limited Stockholding Document Management Services Ltd.
Key Management Personnel	
Shri Ramesh N.G.S (resigned w.e.f. April 17,2023)	Non-Executive Chairman
Shri. Krishna Iyer Mani (appointed w.e.f. Nov 04,2022)	Additional Director- Non Executive
Shri Kanaksabapathy Kumar (resigned on Oct 12,2022)	Independent Director – Non-Executive
Smt. Shikha Gupta (appointed w.e.f. Nov 14,2022)	Additional Director- Non Executive
Shri. Manoj Parida (resigned on Nov 11,2022)	Nominee Director
Shri. Shreekant Patwardhan (appointed w.e.f. Jun 01,2022)	Non-Executive Director
Shri. R. Anand (resigned on May 31,2022)	Non-Executive Director
Shri. Manish Kumar Agrawal (appointed w.e.f. April 18,2023)	Managing Director & CEO
Shri. Prabhat Dubey (resigned w.e.f. April 17,2023)	Managing Director & CEO
Ms. Arati Bhatt	Chief Financial Officer
Ms. Ekta Shukla (appointed w.e.f. Nov 14,2022)	Company Secretary
Ms. Kirty Pareek (resigned on July 22,2022)	Company Secretary

* The ICAI - Ind AS Transition facilitation group's bulletin dated July 31,2017 clarified independent directors coverage under definition of KMP under para 9 of Ind AS 24. Disclosures being made in this section accordingly for said purposes

b. Transactions with related parties during the year

Transactions (including accruals) with related parties for the year ended March 31, 2023.

Amount in Rs.(USD)

Particulars	Ultimate Holding Company	Holding Company	Associate Subsidiaries	Key Management Personnel
Reimbursement of deputed employees salary & gratuity and other funds:				
As on Mar 31,2023	-	7,03,566 (USD 8,752)	-	83,10,921 (USD 1,03,384)
As on Mar 31,2022	-	6,44,839 (USD 8,654)	-	79,37,629 (USD 1,06,529)
Reimbursement of Expenses paid on behalf of the company:				
As on Mar 31,2023	-	1,442 (USD 18)	-	-
As on Mar 31,2022	-	180 (USD 2)	-	-
Sitting Fees Paid:				
As on Mar 31,2023	5,30,313 (USD 6,597))	7,75,072 (USD 9,642)	-	3,44,026 (USD 4,280)
As on Mar 31,2022	4,09,444 (USD 5,513)	7,01,602 (USD 9,447))	-	4,49,621 (USD 6,054)
Custody Fees Paid:				
As on Mar 31,2023	-	-	-	-
As on Mar 31,2022	-	-	-	1,39,603 (USD 1,893)
Balances Outstanding:				
Payable to Holding Company towards reimbursement of expenses:				
As on Mar 31,2023		0 (USD 0)	-	-
As on Mar 31,2022		0 (USD 0)	-	-
Trade & Other Payables:				
As on Mar 31,2023		79,28,560 (USD 96,435)	-	-
As on Mar 31,2022		1,37,53,177 (USD 1,81,423)	-	-

In terms of our report attached

For Ramanlal G Shah & Co
Chartered Accountants
Firm Reg. No. 108517W

CA VIVEK SHAH
PARTNER
MEM. NO: 112269
Place: Ahmedabad
Date: 03rd May, 2023

For and On behalf of the Board of StockHolding Securities IFSC Ltd.

Arati Bhatt
CFO
Place: Gandhinagar

Manish Kumar Agrawal
MD & CEO
DIN: 10099187
Place: Gandhinagar

Ekta Shukla
Company Secretary
Place: Gandhinagar

Shreekant Patwardhan
Director
DIN: 08490827
Place: Mumbai



World Environment Day



Vigilance Oath: Vigilance Awareness Week

BOARD OF STOCKHOLDING SECURITIES IFSC LIMITED



Shri. Krishna Iyer Mani
Additional Non-Executive Director



Shri. Shreekant Patwardhan
Nominee Director



Mrs. Shikha Gupta
Additional Non-Executive Director



Shri. Manish Kumar Agrawal
Managing Director & CEO



Stock Holding

Stock Holding Securities IFSC Limited

Unit No. 518, Signature, 5th Floor, Block 13B, Zone-I,
GIFT SEZ, Gift City, Gandhinagar, Gujarat 382355, India

Email : gift@stockholdingifsc.com Web : www.stockholdingifsc.com

