

29.08.2024

To
The General Manager – DCS
Listing Operations – Corporate Service Department
BSE Limited

Scrip Code: 530907

Dear Sir/ Madam,

Sub: Submission of the Integrated Annual Report under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

This is in furtherance to our letter dated 13th August 2024 wherein the Company had informed that the 30th Annual General Meeting ('AGM') of the Company will be held on Friday, 20th September 2024 at 11.30 A.M. (IST) through Video Conference / Other Audio-Visual Means.

Pursuant to Regulation 34(1) of the Listing Regulations, as amended, please find enclosed the Integrated Annual Report of the Company along with the Notice of the 30th AGM and other Statutory Reports for the financial year 2023-24.

The said Integrated Annual Report is being sent through electronic mode to the Shareholders of the Company and is available on the website of the Company at <http://www.sicapital.co.in>

Kindly take the same on record.

Thank you.

For S.I. Capital & Financial Services Limited

SUJITH K Digitally signed
by SUJITH K
RAVINDR RAVINDRANATH
Date: 2024.08.29
ANATH 16:18:21 +05'30'

Sujith K Ravindranath
Company Secretary

Encl: As above

BOARD OF DIRECTORS

Mr. Vinod Manazhy

Independent Director & Chairman

Mr. T B Ramakrishnan

Non-Executive Director

Mr. Anu T Cheriyan

Non-Executive Director

Dr. Anil Menon

Non-Executive Director

Ms. Jitha Chummar

Non-Executive Director

Mr. Unnikrishnan Anchery

Non-Executive Director

Mr. George Abraham

Non-Executive Independent Director

Mr. Thomas Jacob

Non-Executive Independent Director

Mr. K K Paul

Non-Executive Director

Board Committee Members for the financial year 2023-24

Audit Committee

Mr. Rajesh Narayan Pillai	-	Chairman
Mr. Abraham George	-	Member
Mr. Vinod Manazhy	-	Member

Nomination & Remuneration Committee

Mr. Rajesh Narayan Pillai	-	Chairman
Mr. Vinod Manazhy	-	Member
Mr. T B Ramakrishnan	-	Member

Stakeholders Relationship Committee

Mr. Thomas Jacob	-	Chairman
Mr. T B Ramakrishnan	-	Member
Mr. Abraham George	-	Member

Independent Directors Committee

Mr. Abraham George	-	Chairman
Mr. Vinod Manazhy	-	Member
Mr. Rajesh Narayan Pillai	-	Member
Mr. Thomas Jacob	-	Member

Risk Management Committee

Mr. T B Ramakrishnan	-	Chairman
Mr. Sreeram Gopinathan Nair	-	Member
Mr. Abraham George	-	Member
Mr. Ajeesh K A	-	Member

Debenture Allotment Committee

Mr. Sreeram Gopinathan Nair	-	Chairman
Mr. Anu T Cherian	-	Member
Mr. Abraham George	-	Member
Mr. Ramakrishnan T B	-	Member
Mr. Vinod Manazhy	-	Member



Corporate Information

Mr. Jayson A Mekkattukulam
Chief Executive Officer

Mr. Jyothish A R
Chief Operating Officer

Mr. Sujith K Ravindranath
Company Secretary

Mr. Ajeesh K A
Chief Financial Officer

Statutory Auditor
CA Dijo Philip Mathew
Ayyar & Cherian
No.101, Santhi K George Technology
Arcade, K C Joseph Road, Panampilly
Nagar, Ernakulam, Kerala - 682036

Registrar & Share Transfer Agent
Link Intime India Pvt. Ltd
"Surya", 35, Mayflower Avenue
Behind Senthil Nagar, Sowripalayam Road
Coimbatore - 641028

Secretarial Auditor
Liya and Associates
No.101, Santhi K George Technology
Arcade, K C Joseph Road, Panampilly
Nagar, Ernakulam, Kerala - 682036

Debenture Trustee
CS Amal M S
Infine building
Machingal lane
Thrissur-680001
Kerala, India

Registered Office
No.27 First Floor, New Scheme Road,
Pollachi, - 642001, Tamil Nadu
Ph: 04259 - 233304/05
E-mail: info@sicapital.co.in
Website: www.sicapital.co.in
CIN : L67190TZ1994PLC040490

Shares listed with
BSE Limited (Scrip Code: 530907)

Corporate Office
Adiyat Lane, M.G. Road, Poothole, Thrissur 680004
E-mail: info@sicapital.co.in
Website: www.sicapital.co.in
CIN : L67190TZ1994PLC040490

NOTICE

NOTICE is hereby given that the 30th Annual General Meeting of the members of S.I. Capital & Financial Services Limited ("the Company") will be held on **Friday, September 20, 2024, at 11.30 A.M. (IST)** through Video Conferencing / Other Audio-Visual Means ("VC/OAVM") to transact the following business:

ORDINARY BUSINESS

- To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2024, and the report of the Directors and Auditors thereon and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

"RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2024, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted."

- To appoint Mr. Ramakrishnan T B (DIN: 01601072) who retires by rotation as a Director and, in this regard, to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ramakrishnan T B (DIN: 01601072), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

- To appoint Mrs. Jitha Chummar (DIN: 02582004) who retires by rotation as a Director and, in this regard, to consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mrs. Jitha Chummar (DIN: 02582004), who retires by rotation at this meeting, be and is hereby appointed as a Director of the Company."

SPECIAL BUSINESS

- To consider and if thought fit, to pass, the following resolution as a Special Resolution**

"RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, including any statutory modification(s) or re-enactment thereof for the time being in force, the consent of the members of the company be and is hereby accorded to enter into a franchisee agreement with the partnership firm M/s. Easy Financial Solutions, a firm in which Mr. Jayson A Mekkattukulam, Chief Executive Officer, and Mr. Jyothish A R, Chief Operating Officer, are interested on such terms and conditions as may be mutually agreed upon.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, and things as may be necessary, proper, or expedient for the purpose of giving effect to the above resolution."

By order of the Board of Directors

Sd/-

Sujith K Ravindranath
Company Secretary

13-08-2024
Thrissur

Notes:

- Ministry of Corporate Affairs ("MCA") vide its General Circulars Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, and subsequent circulars issued in this regard, the latest being 9/2023 dated September 25, 2023, ("MCA Circulars") has permitted the holding of the annual general meeting through Video Conferencing ("VC") or Other Audio-Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company situated at No.27, First Floor, New Scheme Road, Pollachi, Coimbatore - 642001, Tamil Nadu, India.
- Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies

(Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis
4. The attendance of the Members attending the AGM through VC/OAVM will be counted to ascertain the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint a proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/EGM through VC/OAVM and cast their votes through e-voting.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM. Corporate members are requested to send a certified copy of the Board resolution authorizing their representative to attend the meeting by email to info@sicapital.co.in
7. Notice calling the AGM has been uploaded on the website of the Company at <http://www.sicapital.co.in/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (the agency for providing the Remote e-voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
8. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, and MCA Circular No. 20/2020 dated May 05, 2020.
9. In continuation to this Ministry's General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022 and after due examination, it has been decided to allow companies whose AGMs are due in the Year 2023 or 2024, to conduct their AGMs through VC or OAVM on or before 30th September, 2024 in accordance with the requirements laid down in Para 3 and Para 4 of the General Circular No. 20/2020 dated 05.05.2020
10. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the Director(s) retiring by rotation/ seeking appointment at the AGM, forms part of this Notice.
11. Since the AGM is held through VC/OAVM in accordance with the Circulars, the route map, proxy form, and attendance slip are not attached to this Notice.
12. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
13. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. **Friday, September 20, 2024**. Members seeking to inspect such documents can send an email to info@sicapital.co.in

14. The Board has appointed CS Sreekrishna Kumar K, Company Secretary in Practice, as the Scrutinizer to scrutinize the process of e-voting. The Scrutinizer shall submit his report to the Chairman of the Company ('the Chairman') after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than One working day from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges within two working days from the conclusion of AGM. The result, along with the Scrutinizer's Report, will be placed on the Company's website and the same shall be communicated to BSE.

15. Instructions for Remote E-Voting/ E-Voting during AGM

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(i)The voting period begins on Tuesday, **September 17, 2024, at 9.00 A.M.** and ends on Thursday, **September 19, 2024 at 5.00 P.M.** During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, **September 13, 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii)Shareholders who have already voted prior to the meeting date will not be entitled to vote at the meeting venue.

(iii)Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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

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

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

<p>Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p>
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. Company – info@sicapital.co.in/ 04259 – 233304/05 RTA - coimbatore@linkintime.co.in/ 0422 4958995 0422 2539835 0422 2539836
Dividend Bank	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.

<p>Details OR Date of Birth (DOB)</p>	<ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.
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(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <S.I.Capital & Financial Services Limited> on which you choose to vote.

(x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

(xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz, info@sicapital.co.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance latest by **10.00 A.M. on Saturday, September 14, 2024** mentioning their name, demat account number/folio number, email id, mobile number at (to info@sicapital.co.in) The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance latest by **10.00 A.M. on Saturday, September 14, 2024** mentioning their name, demat account number/folio number, email id, mobile number to info@sicapital.co.in These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and the number of speakers, depending upon the availability of time, for the smooth conduct of the AGM.
9. Only those shareholders, who are present in the AGM through the VC/OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through the VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to the RTA at coimbatore@linkintime.co.in.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.

By order of the Board of Directors

Sd/-

Sujith K Ravindranath
Company Secretary

13-08-2024
Thrissur

Registered Office:
No.27, First Floor, New Scheme Road
Pollachi, Coimbatore, Tamil Nadu - 642001
CIN: L67190TZ1994PLC040490
Website: www.sicapital.co.in E-mail ID: info@sicapital.co.in

ANNEXURE TO THE NOTICE

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

Item No. 4

The Audit Committee and the Board of Directors of the Company in their meeting held on 13.08.2024 has recommended and approved the proposal to enter into a franchisee agreement with M/s. Easy Financial Solutions, a partnership firm formed by Mrs. Sini Jayson and Mrs. Athira Jyothish, the wives of Mr. Jayson A Mekkattukulam, Chief Executive Officer, and Mr. Jyothish A R, Chief Operating Officer, respectively.

Section 188 of the Companies Act, 2013, read with the rules made thereunder, requires prior approval of the members by way of a Special Resolution for entering into any contract or arrangement with a related party. As per the definitions provided under the said section, the partnership firm qualifies as a related party, and the proposed transaction of entering a contract in the nature of franchise agreement would be a related party transaction.

The Board believes that entering into the franchise agreement will be beneficial to the Company as it aligns with the strategic goals of expanding our franchisee business with trusted partners. The terms and conditions of the proposed agreement will be on an arm's length basis.

Except for Mr. Jayson A. Mekkattukulam and Mr. Jyothish A R, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the resolution set out in Item No. 4.

The Board recommends the resolution outlined in Item No. 4 for the approval of the members.

By order of the Board of Directors

**13-08-2024
Thrissur**

Sd/-
**Sujith K Ravindranath
Company Secretary**

Registered Office:
No.27, First Floor, New Scheme Road
Pollachi, Coimbatore, Tamil Nadu - 642001
CIN: L67190TZ1994PLC040490
Website: www.sicapital.co.in
E-mail ID: info@sicapital.co.in

Annexure – A

BRIEF NOTE ON DIRECTOR(S) SEEKING APPOINTMENT OR RE-APPOINTMENT

(Pursuant to Regulation 36(3) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015

Name & DIN	Mr. Ramakrishnan T B (DIN: 01601072)	Ms. Jitha Chummar (DIN: 02582004)
Date of Birth	07/05/1963	14/03/1985
Age	61 Years	39 Years
Experience	More than 33 years of experience in stock broking business.	More than 10 years of experience in stock broking
Qualifications	B.Sc, PGP in Portfolio Management and Research Analysis	MBA – Finance
Terms and Conditions of Appointment	Non-Executive Non-Independent Director, liable to retire by rotation	Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board and Date of Last Reappointment as Director	September 30, 2020 September 16, 2022	September 24, 2021 September 16, 2022
Shareholding / Beneficial ownership in the Company	NIL	NIL
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not related to any Director / Manager / Key Managerial Personnel except for his membership and directorship held in Sharewealth Securities Limited	Not related to any Director / Manager / Key Managerial Personnel except for her membership and directorship held in Sharewealth Securities Limited
No. of meetings of the Board attended during the period	8	7
Directorships held in other Companies	Sharewealth Securities Limited, Moat Financial Services Private Limited	Sharewealth Securities Limited
Listed entities from which the proposed director has resigned in the past three years	NIL	NIL
Skills and capabilities required for the role of the Director as identified by the Nomination and Remuneration Committee (NRC) and the manner in which the proposed person meets such requirements	NA	NA



Chairman's Speech

Dear Shareholders,

I am delighted to welcome you to the 30th Annual General Meeting of S.I. Capital & Financial Services Limited, conducted virtually in accordance with the directives from the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

It is always a privilege to present the key highlights of your Company's performance. While the Financial Year 2023-24 laid a solid foundation for our business expansion, the Company encountered significant challenges and unfortunately ended the year with a loss.

Throughout the year, we made concerted efforts to grow our business by exploring new opportunities and expanding our footprint. Several new branches were opened as part of this strategy. Notably, our revenue saw a substantial increase of over 89%, reaching Rs. 172.78 lakhs compared to Rs. 91.43 lakhs the previous year. Additionally, our gross loan assets under management surged to Rs. 909.77 lakhs from Rs. 510.28 lakhs in the prior year, reflecting a robust 78.29% growth. These figures showcase the resilience embedded in our organization, especially in the face of the adversities we confronted during the year. We remain optimistic that with our expanded portfolio, profitability will return in the years ahead.

Our performance across various segments has been consistently strong. Business loans, personal loans, gold loans, and forex services experienced year-on-year growth of approximately 112.36%, 368.46%, 308%, and 27.63%, respectively. However, we did face declines in our term loans and vehicle loans, which decreased by 58.56% and 9.58%, respectively.

Our company remains committed to its mission of delivering quality services to our clients and remunerative returns to our Investors by maintaining the highest levels of transparency and integrity. We are working hard to strengthen our business model, reduce costs, and explore new growth opportunities, which will aid the Company's goal of responsible lending.

Before concluding, I would like to express my sincere appreciation to all the Board members for their support and valuable contributions to upholding strong governance. My heartfelt thanks also go to our management, advisors, consultants, and the entire S.I. Capital team for their tireless efforts and commitment. We are grateful to our consultants and service providers for their dedication, and we extend our deepest thanks to the Government Institutions for their guidance and collaboration. Rest assured, we are taking every necessary step to restore the company's profitability and deliver value to our shareholders. Your continued trust and support are deeply valued, and as we embark on this exciting journey ahead, we hope to have your enduring partnership in the years to come.

Thank you for your understanding and cooperation.

BOARD'S REPORT

Dear Members,

The Board of Directors is pleased to present the Company's 30th Annual Report and the Audited Financial Statements for the financial year ending March 31, 2024.

Financial Results

The Company's financial performance for the year ended March 31, 2024 is summarized below:

Particulars	(Rs. in Lakhs)	
	2023-24	2022-23
Revenue From Operations	172.78	91.43
Other Income	3.75	21.29
Total Income	176.53	112.72
Total Expenses	248.11	122.45
Profit before tax	(71.58)	(9.73)
Current Tax	-	-
Deferred Tax	-	-
Profit for the Year	(71.58)	(9.73)
Other comprehensive income	-	-
Total comprehensive income for the year	(71.58)	(9.73)

Results of Operations and the state of affairs of the Company

The company is a Non-Systemically Important Non-Banking Financial Company and a Full-Fledged Money Changer. The highlights of the company's performance for the year ended March 31, 2024 are as under:

- Revenue from operations was Rs. 172.78 Lakhs
- Net Loss for the year was Rs. 71.58 Lakhs

With the increase in branches, the Company could increase the revenue from operations. Revenue from Operations increased by 88% compared to the previous year. The company is making sustained efforts to achieve improved performance and profitability in the coming years by standardizing its operations.

Dividend

In the absence of profits, no dividend is recommended for payment this year.

Details of material events between the end of the financial year 2023-24 and the date of the report

There have been no material changes and commitments for the likely impact affecting the financial position between the end of the financial year and the date of the Report except the following.

- The Managing Director of the Company Mr. Sreeram Gopinathan Nair and Independent Director Mr Rajesh Narayan Pillai resigned from their posts on 14th June 2024 and 18th June 2024 respectively.
- The company has raised 34.50 lakhs through Private Placement of 3450 Secured unlisted Redeemable Non-Convertible Debentures

Issue and allotment of Debentures

During the year under review, pursuant to Section 62(1)(c), 42 and any other applicable provisions of the Companies Act, 2013 made there under the Board of Directors of the Company has issued and allotted 31950 Debentures of Rs. 1000/- each on preferential basis, to the promoters/non-promoter and others i.e., persons/entities not forming part of the promoter and promoter group.



Allotment of Equity Shares

During the year under review, Company has allotted, 200000 equity shares of Rs. 10/- each on the premium of Rs. 15/- each on preferential basis, to others i.e. persons/entities not forming part of the promoter and promoter group by virtue of the conversion of the share warrants. As a result, the closing balance of the Equity Share Capital as on 31st March, 2024 was Rs. 360 Lakhs.

Management Discussion and Analysis Report

Management Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), is presented in a separate section, forming part of the Annual Report.

Significant and material orders passed by the regulators or courts or tribunals

There has been no significant and material order passed by any regulator, courts, or tribunals impacting the going concern status and operations of the Company in the future.

Disclosure of fraud in the board's report u/s 143 of the Companies Act, 2013

During the year under review, your Directors do not observe any transactions which could result in fraud. Your Directors hereby declare that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2023-2024.

Business Operations/ Performance of the Company

The Company is a Non-Banking Financial Services Company and a Full-Fledged Money Changer operating under the License of Reserve Bank of India.

Currently the performance of the Non-Banking Financial Services sector in India is on a positive note. The Company's disbursements are on revival path and loan outstanding stood at Rs.909.77 lakhs at the end of the financial year, an increase of 78% y-o-y, reflecting the improved market conditions and focused efforts of the company. Gold, personal and business loans increased by 141%, 418% and 42% respectively, an indicator of economy normalizing and overall positive market sentiment, while Vehicle Loan decreased by 1.32%. The income from forex business recorded increase of 27.59%.

Despite the challenges raised by the pandemic, the management remains committed towards ensuring continuous improvement in efficiency and performance, by realigning its strategies, products and process as and when required.

Secretarial Standards

The Directors state that the applicable Secretarial Standards i.e., SS-1 and SS-2, issued by the Institute of Company Secretaries of India, relating to Meetings of the Board of Directors and General Meetings respectively, have been duly complied with.

Directors' Responsibility Statement

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial control over financial reporting by the statutory auditors and the reviews performed by the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls are adequate and operating effectively.

Accordingly, pursuant to the requirements of Section 134 (5) of the Act, the Board of Directors, to the best of their knowledge and ability, state that:

- (a) in the preparation of the annual accounts for the year ended March 31, 2024, the applicable accounting standards have been followed and there are no material departures from the same;

- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2024 and of the loss of the company for that period;
- (c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- (f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Corporate Governance

The Company is committed to maintain high standards of Corporate Governance. The Report on Corporate Governance as stipulated under the Listing Regulations forms part of this Annual Report. Since Regulation 15 of Listing Regulations is not applicable to the Company, Certificate from Statutory Auditor/ Practicing Company Secretary regarding compliance of conditions of Corporate Governance was not obtained.

Risk Management

Pursuant to the requirements of Regulation 21 and Part D of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), the Company has constituted a Risk Management Committee (RMC), consisting of Board members and senior executives of the Company.

The Company has in place a Risk Management framework to identify, and evaluate business risks and challenges cross the Company, both at the corporate level and also separately for each business division. The Company has a robust process for managing the key risks overseen by the RMC. As part of this process, the Company has identified the risks with the highest impact and then assigned a likely probability of occurrence. Mitigation plans for each risk have also been put in place and are reviewed by the management every six months before presenting to the RMC. The RMC has set out a review process to report to the Board on the progress of the initiatives for the major risks of each of the businesses.

The Company has a Board of Directors approved Risk Management Policy which may be accessed on the Company's website at the link <http://www.sicapital.co.in/pdf/policies/risk%20management%20policy.pdf>

Internal Control systems and adequacy

The Company's internal control system is properly placed and strengthened taking into account the nature of business and size of operations. Periodic audits provide reasonable assurance that the Company's internal financial controls are adequate.

Directors and Key Managerial Personnel

The Board Composition as on March 31, 2024 is as follows:

S. No.	Name of Directors	Designation
1	Mr. Sreeram Gopinathan Nair	Managing Director
2	Mr. Thandassery Balachandran Ramakrishnan	Non-Executive Director
3	CA Unnikrishnan Anchery	Non-Executive Director
4	Dr. Anil Menon	Non-Executive Director
5	Mrs. Jitha Chummar	Non-Executive Director
6	Mr. Anu Thomas Cheriyan	Non-Executive Director
7	Mr. Paul K K	Non-Executive Director
8	Mr. Rajesh Narayan Pillai	Non-Executive Independent Director

9	Mr. Vinod Manazhy	Non-Executive Independent Director
10	Mr. Abraham George	Non-Executive Independent Director
11	Mr. Thomas Jacob	Non-Executive Independent Director
12	Sujith K Ravindranath	Company Secretary
13	Ajeesh Karekkattil Antony	Chief Financial Officer

Change in Directors and Key Managerial Personnel during the year 2023-24

- a) Mr. Habeeb Rahiman resigned from the office of Independent Director w.e.f. June 02, 2023.
- b) CS Akhil T M resigned from the office of Company Secretary w.e.f. November 25, 2023.
- c) CS Sujith K Ravindranath was appointed as Company Secretary w.e.f. January 16, 2024.
- d) The appointment of Mr.K K Paul was regularized in the EGM held in the year 2023.

Change in Directors and Key Managerial Personnel after the financial year 2023-24 and up to the date of the report

- a) Mr. Jayson A. Mekkattukulam was appointed as the Chief Executive Officer of the Company on May 28, 2024.
- b) Mr. Jyothish A R was appointed as the Chief Operating Officer of the Company on May 28, 2024
- c) Mr. Sreeram Gopinathan Nair resigned from the post of Managing Director w.e.f. June 14, 2024
- d) Mr. Rajesh Narayan Pillai resigned from the post of Non-Executive Independent Director w.e.f. June 18, 2024.

Declaration of Independent Directors

The Independent Directors have confirmed that they meet the criteria as mentioned in Section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Act, 2015 by submitting a Declaration towards this end to the Company.

Contracts or Arrangements with Related Parties

In line with the requirements of the Act and the SEBI LODR, the Company has formulated a Policy on Related Party Transactions. All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. Particulars of material contracts/ arrangements with related parties are annexed with this report in Form AOC-2 as Annexure – I. Members may refer to Note 39 to the Financial Statement which sets out related party disclosures pursuant to Ind AS.

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at <http://www.sicapital.co.in/pdf/policies/Related%20Party%20Transaction%20Policy.pdf> Investors/Policies

Nomination & Remuneration Policy

The Board of Directors has adopted a policy on comprising of criteria for determining qualification, positive attributes, and independence of Directors as laid down by the Nomination & Remuneration Committee of the Board in compliance with the provisions of Section 178 of the Act. The Policy is available on Company's website and can be accessed at <http://www.sicapital.co.in/pdf/policies/Nomination%20&%20Remuneration%20Policy.pdf>

The Board has made a formal evaluation of its own performance, committees of the Board and Independent Directors as per the above policy and is satisfactory over its performance.

Auditors and Auditors' Report

a) Statutory Auditor

M/s. Ayyar & Cheria, Chartered Accountant, (Firm Registration No. 000284S), appointed for a term of 5 (five) consecutive years at the Annual General Meeting held on September 30, 2020, continues as Statutory Auditor of the Company. The notes annexed to the Financial Statements referred in the Independent Auditors' Reports are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any

qualification, reservation, adverse remark or disclaimer.

There were no frauds reported by the statutory auditors to Audit Committee or Board under Section 143 of the Act.

b) Secretarial Auditor

The Board appointed M/s. Liya & Associates, Company Secretary in practice (CP No. 19314) to conduct Secretarial Audit for the financial year 2023-24. The Secretarial Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

Secretarial audit report for year ended on March 31, 2024 is annexed herewith and marked as Annexure – II to this Report.

Meetings of the Board

10 Meetings of the Board of Directors were held during the year. The particulars of the meeting held and attended by each Director are detailed in the Corporate Governance Report.

Committees of the Board

In compliance with the provisions of Section 177 & 178 of the Companies Act, 2013, the Board constituted Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The Company has also constituted Risk Management Committee, pursuant to Scale Based Regulations issued by the Reserve Bank of India. The details of the composition of committees and their meetings and attendance of members are given in the Corporate Governance Report.

Vigil Mechanism

The Company has established a robust Vigil Mechanism and a Whistleblower policy in accordance with the provisions of the Companies Act, 2013 and Listing Regulations. The Whistle Blower Policy & Vigil mechanism is available on company's website and can be accessed at - <http://www.sicapital.co.in/pdf/policies/Whistle%20Blower%20Policy%20&%20Vigil%20Mechanism.pdf>

Prevention of Sexual Harassment at Workplace

The Company has zero tolerance towards sexual harassment at the workplace. During the Financial Year 2023-24, the Company has not received any complaints.

Particulars of Loans, Guarantees or Investments made on under Section 186 of the Companies Act, 2013

There were no loans or guarantees made by the Company under Section 186 of the Companies Act, 2013 during the year under review. The particulars of Investments made by the Company are given in Note 11 to the Financial Statements.

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

The Company has taken reasonable steps to conserve energy by supporting go green initiatives. The Company follows the practice of purchasing energy efficient electrical/ electronic equipments for its operations. The Capital Investment on energy conservation equipment is nil.

The Company is making use of the technology platform to ease of operations and to provide better services to its customers.

There were no Foreign Exchange Inflow and Outflow during the year under review.

Annual Return

The Annual Return as required under Section 92 and Section 134 the Act read with Rule 12 of the Companies

(Management and Administration) Rules, 2014 is available on the Company's website at <https://www.sicapital.co.in/pdf/annual-returns/Annual%20Return%202023-24.pdf>

Particulars of employees and related disclosures

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is annexed herewith as Annexure III. In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may address their email to info@sicapital.co.in.

Listing with Stock Exchange

The Company has paid the Annual Listing Fee for the FY 2023-24 to BSE Limited wherein the Company's shares are listed.

Compliance with NBFC Regulation

The Company has complied with the regulatory provisions of the Reserve Bank of India applicable to Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company. The Company has not accepted Public Deposits during the year under review. No Gold Auction happened this FY 2023-24

General

The Board of Directors state that no disclosure or reporting in respect of the following matters as there were no transactions on these matters or as the provisions were not applicable to the Company during the year under review:

- a) Details related to deposits covered under Chapter V of the Act
- b) Issue of equity shares with differential rights as to dividend, voting or otherwise
- c) Issue of shares to employees of the Company under any Employees' Stock Option Scheme
- d) Buyback of shares
- e) Significant or material orders passed by Regulators / Court / Tribunals impacting the going concern status and company's operation in future
- f) Change in the nature of business in the Company.
- g) Proceeding pending under the Insolvency and Bankruptcy Code, 2016
- h) Corporate Social Responsibility initiatives by the Company and constitution of CSR committee
- i) Transfer of amount to Reserves
- j) Transfer of Unclaimed dividend/ shares to Investor Education and Protection Fund (IEPF)
- k) Particulars of Associate, Subsidiary and Joint Venture
- l) Maintenance of Cost Records
- m) Statement of deviation(s) or variation(s) in use of issue proceeds
- n) Statement on Impact of Audit Qualifications

Acknowledgements

Your directors wish to place on record their appreciation for the commitment extended by the employees of the Company during the year. Further, the Directors also wish to place on record the support which the Company has received from its promoters, shareholders, bankers, business associates, vendors and customers of the Company

For and on behalf of the Board of Directors

Date: 13-08-2024
Place : Thrissur

Sd/-
Vinod Manazhy
Chairman
DIN: 08986929

Annexure - I
FORM NO. AOC -2

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

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

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

Particulars	Details
Name (s) of the related party & nature of relationship	Nil
Nature of contracts/arrangements/transaction	
Duration of the contracts/arrangements/transaction	
Salient terms of the contracts or arrangements or transaction including the value, if any	
Date of approval by the Board	
Amount paid as advances, if any	

2. Details of material contracts or arrangements or transactions at Arm's length basis:

Particulars	Details		
	Name (s) of the related party & nature of relationship	Sharewealth Securities Limited Holding Company	Mr. Anoop Jolly Relative of Director
Nature of contracts/arrangements/transaction	Interest paid on Subordinated Debt	Rent paid	Granting of term loan
Duration of the contracts/arrangements/transaction	Ongoing	11 months	12 months
Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.0.53 lakhs	Rs. 1.80 Lakhs	Rs.38 Lakhs
Date of approval by the Board	13-05-2022	13-05-2022	10-11-2023
Amount paid as advances, if any	No	No	No

For and on behalf of the Board of Directors

Date: 13-08-2024
Place : Thrissur

Vinod Manazhy
Chairman
DIN: 08986929

Annexure - II

SECRETARIAL AUDIT REPORT

for the financial year ended March 31, 2024

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

To,

The Members,

S.I.Capital & Financial Services Limited

CIN : L67190TZ1994PLC040490

N0.27, First Floor, New Scheme Road, Pollachi, Coimbatore, Tamilnadu 642001

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **S.I.Capital & Financial Services Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's Books, Papers, Minute Books, Forms and Returns filed with various regulatory authorities 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, I hereby report that in my opinion, the company has, during the financial year ended on March 31, 2024 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to reporting made hereinafter.

I further report that maintenance of proper and updated Books, Papers, Minute Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is the responsibility of the management of the Company, my responsibility is to verify the content of the documents produced before me, to make objective evaluation of the content in respect of compliance and report thereon.

I have examined on test check basis, the books, papers, minute books, forms and returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2024, as per the provisions of:-

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 (' SEBI Act');
 1. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 2. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 3. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 4. The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations,2021;
 5. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 6. The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993;
 7. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;
 8. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
6. The following laws, regulations, directions, orders applicable specifically to the Company:
 - i. The Reserve Bank of India Act, 1934

- ii. Master Direction –Reserve Bank of India (Filing of Supervisory Returns) Directions -2024 and Master Direction- Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 (until the period it was applicable)
- iii. Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 and Master Direction – Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 (until the period it was applicable)

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

- I. The Secretarial Standards issued by the Institute of Company Secretaries of India.
- II. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

On the basis of the information and explanation provided, the Company had no transaction during the period under Audit requiring the compliance of applicable provisions of Act / Regulations / Directions as mentioned above in respect of:

- i. Foreign Direct Investment, External Commercial Borrowings and Overseas Direct Investment.
- ii. Buy-back of securities.

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

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

Majority decision is carried through and proper system is in place which facilitates / ensure to capture and record, the dissenting member's views, if any, as part of the Minutes.

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

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

For Liya and Associates

Sd/-
Liya Antony
Company Secretary in Practice
Proprietor
ACS: 39611, CP: 19314

Place: Ernakulam
Date: 07/08/2024
UDIN : A039611F000920887
Peer Review No.2482/2022

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

“ANNEXURE A”

To,
The Members,
S.I.Capital & Financial Services Limited
CIN : L67190TZ1994PLC040490
N0.27, First Floor, New Scheme Road, Pollachi, Coimbatore, Tamilnadu 642001

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

For Liya and Associates

Liya Antony
Company Secretary in Practice
Proprietor
ACS: 39611, CP: 19314

Place: Ernakulam
Date: 07/08/2024
UDIN : A039611F000920887
Peer Review No.2482/2022



Annexure - III

Information pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014

- i. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2023-24:

Mr. Sreeram Gopinathan Nair, Managing Director 0.30:1

Note: The median remuneration of the employees of the Company for the financial year 2023-24 is Rs.15000.00

- ii. Percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive officer, Company Secretary or Manager, if any, in the Financial Year 2023-24:

Name of Director/ Key Managerial Personnel (KMP)	Percentage increase or decrease in remuneration
Mr. Sreeram Gopinathan Nair, Managing Director	0%
Mr. Ajeesh Karekkattil Antony, Chief Financial Officer	17%
Mr. Sujith K Ravindranath, Company Secretary	NA (as newly joined)

- iii. Percentage increase in the median remuneration of employees in the financial year 2023-24: -0.11%
- iv. The number of permanent employees on the rolls of Company: 29 employees as of March 31, 2024
- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Percentage increase in Salary of employee other than managerial personnel	16.72%
Percentage increase in Salary of Managerial Personnel	2%
Justification for percentage increase in managerial remuneration	N.A.
Exceptional circumstance for increase in managerial remuneration	N.A.

- vi. Affirmation that the remuneration is as per the remuneration Policy of the Company:
The remuneration paid to the Directors and Key managerial Personnel are as per the Nomination & Remuneration Policy of the Company

For and on behalf of the Board of Directors

Date: 13-08-2024
Place : Thrissur

Vinod Manazhy
Chairman
DIN: 08986929

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance is pursuant to Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI LODR). The Company has complied with the applicable requirements of the SEBI LODR and amendments thereto. The Board present the Company's Report on Corporate Governance for the financial year 2023-24.

Company's Philosophy on Code of Governance

Corporate Governance is indispensable for the profitability, growth and survival of a company through creation and enhancement of value to stakeholders. The Company believes that robust corporate governance system based on trust and relationship building will endure value to all stakeholders. Corporate Governance Philosophy envisages striving for excellence in all facets of its operations through socially and environmentally acceptable means. The Company wants to be a responsible corporate citizen and share the benefits with society and also will make its customers, employees, suppliers, shareholders and other stakeholders feel proud of their association with the Company through highest level of fairness and transparency in its dealings.

Board of Directors

a. Composition of the Board

As on March 31, 2024, the Board of Directors of the Company comprised of 11 (Eleven) Directors. The categories of Directors are detailed below. The Composition of the Board as mentioned in Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is not applicable to the Company as the Company has not crossed the threshold mentioned in Regulation 15 of the Listing Regulations.

As on March 31, 2024

Name of the Director	Category
Mr. Sreeram Gopinathan Nair	Managing Director
Mr. Thandassery Balachandran Ramakrishnan	Non-Executive Director
CA Unnikrishnan Anchery	Non-Executive Director
Dr. Anil Menon	Non-Executive Director
Mrs. Jitha Chummar	Non-Executive Director
Mr. Anu Thomas Cheriyan	Non-Executive Director
Mr. Kuriakkose Paul Kannanaikkal	Non-Executive Director
Mr. Rajesh Narayan Pillai	Non-Executive Independent Director
Mr. Vinod Manazhy	Non-Executive Independent Director
Mr. Abraham George	Non-Executive Independent Director
Mr. Thomas Jacob	Non-Executive Independent Director

The profile of Directors can be accessed on the Company's website at <http://www.sicapital.co.in/corporate-leadership-team.php>

Notes:

As on March 31, 2024, shareholding of the directors is as follows:

1. Mr. Anu T Cheriyan - 400000 equity shares
2. Mr. Kuriakkose Paul Kannanaikkal – 100 equity shares

b. Attendance at the meeting of Board of Directors and last Annual General meeting

Name of the Director	No. of Board Meetings entitled to attend	Attendance	
		Meeting of Board of Directors	29 th Annual General Meeting
Mr. Sreeram Gopinathan Nair	10	10	Y
Mr. Thandassery Balachandran Ramakrishnan	10	08	Y
Dr. Anil Menon	10	09	Y
Mrs. Jitha Chummar	10	07	Y
Mr. Rajesh Narayan Pillai	10	10	Y
Mr. Vinod Manazhy	10	10	Y
CA. Unnikrishnan Anchery	10	08	N
Mr. Abraham George	10	08	Y
Dr. Habeeb Rahiman*	02	1	N
Mr. Anu Thomas Cheriyan	10	10	Y
Mr. Thomas Jacob	10	10	Y
Mr. Kuriakkose Paul Kannanaikkal	10	08	N

Notes :

- * Dr. Habeeb Rahiman resigned from the post of Director w.e.f. 02nd June 2023

c. Other Directorships or Memberships in Committees

Name of the Director	Other Directorship	Other Membership*		Other Listed Entities in which he is a Director
		Member	Chairman	
Mr. Sreeram Gopinathan Nair	-	-	-	-
Mr. Thandassery Balachandran Ramakrishnan	2	1	-	-
Dr. Anil Menon	1	-	-	-
Mrs. Jitha Chummar	1	2	-	-
Mr. Rajesh Narayan Pillai	1	1	1	Sungold Capital Limited -Non-Executive Director
Mr. Vinod Manazhy	1	-	-	-
CA. Unnikrishnan Anchery	13	1	-	-
Mr. Abraham George	-	-	-	-
Mr. Anu Thomas Cheriyan	4	-	-	-
Mr. Thomas Jacob	-	-	-	-
Mr. Kuriakkose Paul Kannanaikkal	-	-	-	-

*Membership(s)/ Chairmanship(s) of only Audit Committee and Stakeholders' Relationship Committee in all public limited companies have been considered.

d. Board Meetings

The details of Ten Board Meetings held during the financial year 2023-24 are given below:

Date	Board Strength	No. of Directors present
08.04.2023	12	07
25.05.2023	12	12
16.06.2023	11	08
09.08.2023	11	10
31.08.2023	11	09
10.11.2023	11	11
16.01.2024	11	11
12.02.2024	11	11
29.02.2024	11	09
11.03.2024	11	11

e. Skills / Expertise and Competence of Board of Directors

Name of the Director	Skills / Expertise / Competence
Mr. Sreeram Gopinathan Nair	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Thandassery Balachandran Ramakrishnan	Professional / Industry knowledge and experience / Leadership / Ethics
Dr. Anil Menon	Professional / Industry knowledge and experience / Leadership / Ethics
Mrs. Jitha Chummar	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Rajesh Narayan Pillai	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Vinod Manazhy	Professional / Industry knowledge and experience / Leadership / Ethics
CA Unnikrishnan Anchery	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Abraham George	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Anu Thomas Cheriyan	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Thomas Jacob	Professional / Industry knowledge and experience / Leadership / Ethics
Mr. Kuriakkose Paul Kannanaikkal	Professional / Industry knowledge and experience / Leadership / Ethics

f. Confirmation on Independence

Based on declarations received from independent directors and performance evaluation, the Board of Directors hereby opine that the independent directors fulfill the conditions specified in Securities and Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and are independent of the management.

g. Brief note on Directors seeking appointment / re-appointment: Annexure – 1

h. Board Committees

Your Company's Board of Directors had constituted the following mandatory Committees to comply the requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz.:(i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee and (iv)Risk Management Committee

Audit Committee

The Committee is mandated with the same terms of reference as specified in Section 177 of the Companies Act, 2013 read with applicable Rules made thereunder.

The Audit Committee of the Board provides reassurance to the Board on the existence of an effective internal control environment that ensures:

- a. efficiency and effectiveness of operations;
- b. safeguarding of assets and adequacy of provisions for all liabilities;
- c. reliability of financial and other management information and adequacy of disclosures. compliance with all relevant statutes.

The role of the Committee includes the following:

- i. To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ii. To recommend the appointment, remuneration, terms of appointment and removal of Statutory Auditors, and to review the manner of rotation of Statutory Auditors;
- iii. To recommend the appointment, remuneration and removal of Cost Auditors, where necessary;
- iv. To approve transactions of the Company with related parties, including modifications thereto;
- v. To review and monitor the Statutory Auditor's independence and performance, and effectiveness of the audit process;
- vi. To evaluate the Company's internal financial controls and risk management systems;
- vii. To review with the management the following:
 - a. Annual financial statements and Auditor's Report thereon before submission to the Board for approval;
 - b. Quarterly financial statements before submission to the Board for approval;
- viii. To review the following:
 - c. Management discussion and analysis of financial condition and results of operations;
 - d. Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory, and Internal Auditors;
 - e. Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
 - f. System/manner of maintenance, storage, retrieval, display, print out, and security of books of account of the Company maintained in the electronic form;

g. Functioning of Whistle Blower Mechanism in the Company

Composition, Name of members / Chairman, Meetings held and members present during the year 2023-24: During the financial year 2023-24, the Audit Committee met Four times on May 25, 2023, August 09, 2023, November 10, 2023 and February 12, 2024.

Name of the Member	Category	No of Audit Committee meeting held	No of Audit Committee meeting attended
Mr. Rajesh Narayan Pillai	Non- Executive Independent Director (Chairman)	4	4
Mr. Vinod Manazhy	Non- Executive Independent Director (Member)	4	4
Mr. Abraham George	Non- Executive Independent Director (Member)	4	4

Nomination and Remuneration Committee

The Committee shall formulate for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

The Committee shall identify the persons who are qualified to become Directors / Senior Management Personnel of the Company in accordance with the criteria laid down, recommend to the Board their appointment, the remuneration including commission, perquisites and benefits payable to the Directors and their removal. It shall also carry out the evaluation of every Director's performance.

Composition, Name of Members / Chairman, Meetings held and Members present during the year 2023-24: During the financial year 2022-23, Nomination and Remuneration Committee met two times on December 07, 2023, and February 12, 2024.

Name of the Member	Category	No of NRC meeting held	No of NRC meeting attended
Mr. T B Ramakrishnan	Non-Executive Director (Member)	2	2
Mr. Vinod Manazhy	Non- Executive Independent Director (Member)	2	2
Mr. Rajesh Narayan Pillai	Non-Executive Independent Director (Chairman)	2	2

Nomination and Remuneration Policy

The Board of Directors has adopted a policy on comprising of criteria for determining qualification, positive attributes, and independence of Directors as laid down by the Nomination & Remuneration Committee of the Board in compliance with the provisions of Section 178 of the Act. The Policy is available on Company's website and can be accessed at

<http://www.sicapital.co.in/pdf/policies/Nomination%20&%20Remuneration%20Policy.pdf>

Remuneration of Directors

All the Directors are paid with sitting fees of Rs.1000/- (Rupees One Thousand only) for the Board Meetings attended by them. They have given waiver of sitting fees for all the Committee meetings in which they are members and certain Board Meetings. Directors were not granted stock options during the year under review.

An amount of Rs.55,000/- was paid to Mr. Sreeram Gopinathan Nair, Managing Director, as travelling allowance during the financial year 2023-24. The amount was paid pursuant to the provisions of sections 196,197, 198 and other applicable provisions, if any, of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V of Companies Act, 2013 and subject to the provisions of Articles of Association of the Company. The members of the Company have ratified his remuneration vide an ordinary resolution at the Annual General Meeting held on September 30, 2020.

The details of sitting fees paid to the directors during the financial year 2023-24 are given below:

Name of the Director	Sitting Fees (Rs. in Lakhs)
Mr. Sreeram Gopinathan Nair	0.10
Mr. Thandassery Balachandran Ramakrishnan	0.03
Dr. Anil Menon	0.10
Mrs. Jitha Chummar	0.08
Mr. Rajesh Narayan Pillai	0.10
Mr. Vinod Manazhy	0.10
CA Unnikrishnan Archery	0.08
Dr. Habeeb Rahiman	0.02
Mr. Abraham George	0.02
Mr. Anu Thomas Cheriya	0.10
Mr. Thomas Jacob	0.10
Mr. Kuriakkose Paul Kannanaikkal	0.08
Total	0.97

The Company has not granted any stock options to its Directors.

Performance evaluation criteria for independent Directors

The Company, on an annual basis, inter-alia evaluates the performance of independent directors of the Company by Peer Review Process based on the following criteria - Participation in Board / Committee Meetings, Managing Relationship, Knowledge and Skill and other attributes viz. standards of ethics and integrity, independent judgement, awareness on corporate governance, up to date knowledge, adherence to code of conduct and maintenance of confidentiality.

Stakeholders Relationship Committee

Composition, Name of Members / Chairman, Meetings held and Members present during the year 2023-24:

Name of Member	Category	Date of Meeting/ Attendance
		10.11.2023
Mr. Thomas Jacob	Non-Executive Independent Director (Chairman)	Yes
Mr. T B Ramakrishnan	Non-Executive Director (Member)	Yes
Mr. Abraham George	Non-Executive Independent Director (Member)	Yes

Name of Compliance Officer for 2023-24: Mr. Sujith K Ravindranath, Company Secretary & Compliance Officer
Number of Investor complaints received / resolved / pending: Nil / Nil / Nil

Risk Management Committee

The objective of Risk Management at S.I. Capital & Financial Services Limited is to create and protect shareholder value by minimizing threats or losses, and identifying and maximizing opportunities. An enterprise-wide risk management framework is applied so that effective management of risks is an integral part of every employee's job.

Composition, Name of Members / Chairman, Meetings held and Members present during the year 2023-24:

Name of Member	Category	Date of Meeting/ Attendance	Date of Meeting/ Attendance
		31.08.2023	11.03.2024
Mr. T B Ramakrishnan	Non-Executive Director (Chairman)	Yes	Yes
Mr. Sreeram Gopinathan Nair	Managing Director (Member)	Yes	Yes
Mr. Abraham George	Non-Executive Independent Director (Member)	Yes	Yes
Mr. Ajeesh Karekkattil Antony	CFO	Yes	Yes

Independent Directors' Committee

Composition, Name of Members / Chairman, Meetings held, and Members present during the year 2023-24:

Name of Member	Category	Date of Meeting/ Attendance
		11-03-2024
Mr. Abraham George	Non-Executive Independent Director (Chairman)	Yes
Mr. Vinod Manazhy	Non-Executive Independent Director (Member)	Yes
Mr. Rajesh Narayan Pillai	Non-Executive Independent Director (Member)	Yes
Mr. Thomas Jacob	Non-Executive Independent Director (Member)	Yes

GENERAL BODY MEETINGS

Annual General Meetings

The date, time, and venue of the Annual General Meetings held during the preceding three years and the special resolutions passed thereat, are as follows:

Year	Date	Time	Venue	Special Resolutions Passed
2022-23	27.09.2023	11.30 AM	Through Video Conferencing/ Other Audio-Visual Means	No Special Resolution was passed
2021-22	16.09.2022	02.00 PM	Through Video Conferencing/ Other Audio-Visual Means	1. Change in name of the company and consequent change in Memorandum and Article of Association
2020-21	24.09.2021	02.00 PM	Through Video Conferencing/ Other Audio-Visual Means	No Special Resolution was passed

Postal Ballot

No Special Resolution was passed through Postal Ballot during the financial year 2023-24. There is no immediate proposal for passing any resolution through postal ballot.

MEANS OF COMMUNICATION

The quarterly / half yearly/ annual financial results of the Company were published in Business Line (English) and The Hindu (Tamil) in the respective quarters. The financial results, the annual reports of the Company and other corporate announcements were uploaded on the Company's website: www.sicapital.co.in.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting	20.09.2024
Financial Year	1 st April to 31 st March
Dividend Payment Date	NA
Listing on Stock Exchange Payment of Listing Fees	BSE Ltd Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001
Scrip/Stock Code	Scrip Code: 530907
ISIN Number for NSDL & CDS	INE417F01017
Payment of Depository Fees	Annual Custody/ Issuer Fees have been paid by the Company based on the Invoices received from both depositories.

Stock Market Price Data*

Month	High Price (In Rs.)	Low Price (In Rs.)	Volume (No.)
April 2023	38.45	33.03	4009
May 2023	38.04	27.08	6154
June 2023	31.50	28.50	20780
July 2023	32.50	30.88	59
August 2023	30.88	30.88	100
September 2023	29.80	29.40	401
October 2023	32.50	27.30	10715
November 2023	31.00	27.10	2869
December 2023	31.40	28.50	4473
January 2024	31.92	25.73	4335
February 2024	30.97	24.49	8521
March 2024	31.60	24.50	14869

*This information is compiled from the data available on the website of BSE Limited.

Registrar & Share Transfer Agent

Link Intime India Private Limited

“Surya”, 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore – 641028

Phone: 0422 4958995, 2539835 / 836 Email: coimbatore@linkintime.co.in

Share Transfer System

As mandated by SEBI, the securities of the Company can be traded/ transferred only in dematerialized form. Shareholders holding shares in physical form are advised to avail the facility of dematerialization.

Shareholding Pattern as on March 31, 2024

S. No.	Category of Shareholders	No. of Share holders	Total number of Shares	% of Shareholding	No. of Warrants	% of Shareholding assuming full conversion of Warrants
A	Promoter & Promoter Group					
1	Indian	1	18,43,391	51.20	-	51.20
2	Foreign	-	-	-	-	-
	Total (A1 + A2)	1	18,43,391	51.20	-	51.20
B	Public Shareholding					
1	Institutions	1	9,200	00.25	-	00.25
2	Non-Institutions	1715	17,47,409	48.55	-	48.55

Total (B1 + B2)	1716	17,56,609	48.80	-	48.80
C Non-Promoter Non-Public	-	-	-	-	-
Total (A + B + C)	1717	36,00,000	100	-	100

Distribution of Shareholding by Size as on March 31, 2024

Category (Based on Value)	No. of Shareholders	%	Shareholding (In Rs.)	%
Up to 5,000	1335	77.77	27,04,240	7.53
5,001 – 10,000	193	11.24	15,96,390	4.43
10,001 – 20,000	72	4.19	1081590	3.00
20,001 – 30,000	70	4.07	17,70,070	4.92
30,001 – 40,000	10	0.58	3,53,650	0.98
40,001 – 50,000	09	0.52	4,21,000	1.17
50,001 – 1,00,000	16	0.93	12,32,100	3.42
1,00,001 & Above	12	0.70	2,68,40,960	74.55
Total	1717	100.00	3,60,00,000	100.00

Dematerialization of Shares

Mode of Shareholding	No. of Shares	%
CDSL	25,13,223	69.81%
NSDL	3,45,327	9.60%
Physical	7,41,450	20.59%
Total	36,00,000	100

Convertible Warrants

The Company had allotted 4,00,000 Convertible Warrants of Rs. of Rs. 10/- each on the premium of Rs. 15/- to the promoter group and Mr. Anu Thomas Cheriyan during the year 2022-23. The promoters have converted their warrant and allotted an equal number of Equity shares during the year 2022-23. Mr. Anu Thomas Cheriyan converted the warrants into fully paid equity shares of equal number on 05th October 2023.

Credit Ratings and revisions

N.A.

Address for Correspondence

Registrar & Transfer Agents	Company
Link Intime India Private Limited "Surya", 35, Mayflower Avenue, Behind Senthil 27 First Floor, New Scheme Road, Nagar, Sowripalayam Road, Coimbatore – 641028	Company Secretary & Compliance Officer Pollachi – 642001, Tamil Nadu
Phone: 0422 4958995, 2539835 / 836	Ph: 04259 233304/05
E-mail ID: coimbatore@linkintime.co.in	e-mail: info@sicapital.co.in

Penalty imposed by Statutory Authority during last three years

During the Financial year 2020-21, regarding contravention of Para 5(I), Section V of Master Direction on Money Changing Activities dated January 1, 2016 (Updated as on March 29, 2019) and subsequent receipt of a show cause notice from the Reserve Bank of India highlighting the contravention and imposition of a monetary penalty of INR

10,000/- against the company under Section 11(3) of FEMA, 1999. In this regard, the Company has paid the penalty of Rs. 10,000/- and took necessary steps to ensure compliance regarding the same in the future.

Vigil Mechanism

The Whistle Blower Policy & Vigil mechanism is available on company's website and can be accessed at <http://www.sicapital.co.in/pdf/policies/Whistle%20Blower%20Policy%20&%20Vigil%20Mechanism.pdf>

Certificate on Non-Disqualification of Directors

The Certificate on Non-Disqualification of Directors of the Company obtained from Mrs. Liya Antony, Company Secretary in Practice is annexed as Annexure – 2.

Fees paid to Statutory Auditor

The Statutory Auditors were paid Rs.1.90 Lakhs during the year 2023-24; particulars of fee paid are given in Note 33(i) of Audited Financial Statements forming part of this Annual Report

Loan and advances to related parties / entities

The particulars related to Loan to related entities are detailed in Note.39 of Audited Financial Statements forming part of this Annual Report

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

No. of Complaints filed / disposed during the year and pending as on end of financial year: NIL

For and on behalf of the Board of Directors

**Date: 13-08-2024
Place : Thrissur**

**Vinod Manazhy
Chairman
DIN: 08986929**

DECLARATION

I, Jayson A Mekkattukulam, Chief Executive Officer of the Company, hereby state that the members of board of directors and senior management personnel have affirmed compliance with the code of conduct.

For and on behalf of the Board of Directors

**Date: 13-08-2024
Place : Thrissur**

**Jayson A Mekkattukulam
Chief Executive Officer**

Annexure – I

BRIEF NOTE ON DIRECTOR(S) SEEKING APPOINTMENT OR RE-APPOINTMENT
(Pursuant to Regulation 36(3) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015)

Name & DIN	Mr. Ramakrishnan T B (DIN: 01601072)	Ms. Jitha Chummar (DIN: 02582004)
Date of Birth	07/05/1963	14/03/1985
Age	61 Years	39 Years
Experience	More than 33 years of experience in stock broking business.	More than 10 years of experience in stock broking
Qualifications	B.Sc, PGP in Portfolio Management and Research Analysis	MBA – Finance
Terms and Conditions of Appointment	Non-Executive Non-Independent Director, liable to retire by rotation	Non-Executive Non-Independent Director, liable to retire by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013	Sitting fees for attending meetings of Board within the limit specified under the Companies Act, 2013
Date of first appointment on Board and Date of Last Reappointment as Director	September 30, 2020 September 16, 2022	September 24, 2021 September 16, 2022
Shareholding / Beneficial ownership in the Company	NIL	Nil
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Not related to any Director / Manager / Key Managerial Personnel except for his membership and directorship held in Sharewealth Securities Limited.	Not related to any Director / Manager / Key Managerial Personnel except for her membership and directorship held in Sharewealth Securities Limited.
No. of meetings of the Board attended during the period	8	7
Directorships held in other Companies	Sharewealth Securities Limited, Moat Financial Services Private Limited	Sharewealth Securities Limited
Listed entities from which the proposed director has resigned in the past three years	NIL	NIL
Skills and capabilities required for the role of the Director as identified by the Nomination and Remuneration Committee (NRC) and the manner in which the proposed person meets such requirements	NA	NA



Annexure – 2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members

S.I. Capital & Financial Services Limited

CIN : L67190TZ1994PLC040490

No.27, First Floor, New Scheme Road, Pollachi, Coimbatore Tamil Nadu 642001

In pursuance of Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby certified that none of the Directors on the Board have been debarred or disqualified from continuing as a Director of Company(ies) by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, the Reserve Bank of India or such statutory authorities as on March 31, 2024.

Sd/-

Liya Antony

(Practicing Company Secretary)

Proprietor

ACS: 39611, CP: 19314

Peer Review Certificate no. 2482/2022

Place: Ernakulam

Date: 13/08/2024

UDIN: A039611F000960289

MANAGEMENT DISCUSSION & ANALYSIS REPORT

S.I.Capital & Financial Services Limited (“SI Capital”/ “the Company”) is a Non Deposit Taking Non-Systemically Important Non-Banking Financial Company registered with Reserve Bank of India (RBI). It is an Associate Company of Sharewealth Securities Limited. SI Capital also possesses license to carry on the business of Full-Fledged Money Changer. The Company has a diversified lending portfolio covering the retail and commercial customers.

ECONOMIC OVERVIEW

Global

The global economy is exhibiting resilience and fortitude. There are, however, multiple challenges emanating from still elevated inflation, tight monetary and financial conditions, escalating geopolitical tensions, rising geoeconomic fragmentation, disruptions in key global shipping routes, high public debt burdens and financial stability risks. Global financial markets are on edge, with recurrent bouts of volatility as every incoming data increases uncertainty around the monetary policy trajectories of major central banks.

India

Amidst global challenges, the Indian economy exhibited robust growth in 2023-24, underpinned by strong investment activity, amidst subdued external demand. Manufacturing and services sectors were the key drivers on the supply side while agricultural activity slowed down due to uneven and deficient monsoon rainfall. The growth outlook remains buoyant, given the governments sustained focus on capital expenditure while maintaining fiscal consolidation. Strong corporate balance sheets, rising capacity utilisation, double digit credit growth, healthy financial sector, and the ongoing disinflation are likely to be other growth levers. Indian economy boasted an impressive growth rate of 7.8% in the 2023-24 fiscal year (FY) and exceeded the average G20 rate of 3.4%.

The Indian governments high capital spending has brought the fiscal deficit to 5.8% in FY 2023-24 and the combined debt-GDP to above pre-pandemic levels. The RBI paid a higher than expected dividend payout of Rs 2.1 trillion to the government, vs the expected Rs 0.9 trillion. This is likely to lead to lower market borrowings in the second half of the year and consequently lower bond yields.

Indian stock markets have generated an impressive performance during the FY 2023-24. The Nifty 50 index delivered a substantial return of 29 percent in FY 24. According to the data shared by the National Stock Exchange (NSE), the growth of the Indian markets has marked the eighth consecutive year of positive returns. Notably, the last instance of negative returns in the Indian market dates back to 2015, highlighting the consistent upward trajectory of Indian equities.

Capital and asset quality of banks and NBFCs remain healthy, supporting the growth in bank credit and domestic activity. Pre-emptive regulatory measures aimed at curbing excessive consumer lending and bank lending to NBFCs, and investments in alternate investment funds (AIFs) are expected to contain the build-up of potential stress in balance sheets of financial intermediaries and contribute to financial stability.

While domestic banks and NBFCs have exhibited the interest rate risk, banks may have to address both trading and banking book risks. Accordingly, the RBI is striving to make its regulations more principle- based, activity-oriented and proportionate to the scale of systemic risk, rather than entity-oriented.

NBFC Industry

The Non-Banking Financial Companies (NBFCs) sector in India has undergone remarkable growth, establishing itself as a significant player within the country's financial landscape. Also, the space as a whole, has witnessed notable transformations ever since its emergence, with segments such as housing finance, microfinance and consumer finance contributing to its expansion. This growth is driven by various factors, such as a rising middle class, enhanced financial inclusion and positive policy interventions.

Credit growth has remained robust in FY 2023-24 backed by strong demand from consumers, the Government of India's (“GoI's”) push on financial inclusion and ever-improving access to credit by way of increasing focus on digitalization across the industry.

The gold loan industry, once viewed with skepticism a few years ago, has now earned significant respectability. The ongoing competition within this sector highlights its dynamic growth. While banks will remain key competitors, NBFCs are expected to maintain a crucial role due to their broader reach, greater flexibility, personalized service offerings, and cutting-edge digital solutions. During the pandemic, gold loans emerged as a critical lifeline, especially for MSMEs, the agricultural sector, small enterprises, and the unorganized sector. This importance is further underscored by the consistent demand for such loans, reflecting their continued relevance as a vital credit source.

THE COMPANY – BUSINESS OVERVIEW & OUTLOOK

S.I.Capital is a Non-Systemically Important Non-deposit-taking NBFC and a Full Fledged Money Changer. Your company's focus is to extend credit to unbanked sectors of the economy. The Company's disbursements stood at 909.77 lakhs during the year under review, an increase of 78.29%, reflecting the improved market conditions and focused efforts of the company. Compared to previous financial year, Gold, personal and business loans increased by 308% , 368.46% and 112.36% respectively, an indicator of economy normalizing and overall positive market sentiment, while Term Loan and Vehicle Loan declined by 58.56% and 9.58 % respectively. The income from forex business recorded an increase of 27.63%.

RISK MANAGEMENT

As an NBFC, SI Capital is exposed to liquidity, credit, interest, and market risk. The Company has a strong risk management policy and will continue to invest in processes to build advanced risk management. A strong governance framework ensures that the Board of Directors and its committees approve risk strategies and delegate credit authorities. Risk assessment of customers is made at the time of initial appraisal for pricing and granting loans.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

Company's relation with employees & Industrial Relations remained cordial during the year under review, and no material developments occurred during that period. 29 employees were on the payrolls of the Company as on 31st March 2024.

SWOT ANALYSIS

Strength	Well published brand image and well-defined management
Weakness	Presence of accumulated loss
Opportunity	Untapped market potential, continuing opportunities in unbanked sectors
Threat	High competition

INTERNAL CONTROL SYSTEM

The Company's internal control system is properly placed and strengthened taking into account the nature of business and size of operations. Internal auditors conduct periodic audits and bring out any deviations in internal audit procedures and their observations are periodically reviewed and compliance is ensured. The audit committee is properly reviewing and monitoring this internal audit process.

KEY FINANCIAL RATIOS

Particulars	As on 31-03-2024	As on 31-03-2023	Explanation
Current Ratio	3.89	4.30	N.A.
Interest Coverage Ratio	-2.44	-1.78	Debenture outstanding for the year 23-24 is 427 and for 22-23 is 108.10. Further, ICD outstanding remains unchanged for the year 23-24. Subsequently, the interest liability also increased. In addition to this the Loan Portfolio also increased from 510.28 to 909.77
Debt Equity Ratio	2.30	0.70	The Debenture and ICD liability for year is 427 and 25.17 respectively but it was much less during last year. The loss of the current financial year is also included in equity. Thus reduces the value of equity. Hence the ratio increased from 0.70 to 2.30.
Operating Profit Margin (%)	-70.11	-24.30	The loan size is increased to 909.77 as against 510.28 and the delay in recovery of EMI/Interest Collection caused to the increase in the ratio.

Net Profit Margin (%)	-41.43	-10.65	The operating loss and bad loans have affected the Net Profit/Loss. Hence the Net Profit margin has decreased. Earnings on Net worth decreased due to subsequent rise in Operating loss and resulted in increase of loss. Hence the return on Net worth Ratio has decreased.
Return on Net worth	-0.24	-0.03	

Information as required by the provisions of Section 197 of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is given under: (Top 10 employees based on Annual Salary)

Sl.No	Name of Employee	Total remuneration drawn 2023-24 (Amount in Rs.)
1	Biju A Balan	6,75,161.00
2	Ajeesh K A	6,10,000.00
3	Akhil T M	4,80,000.00
4	Subin C B	4,19,264.00
5	Vimal Joseph	3,30,900.00
6	Kanakaraj C	2,73,387.00
7	Sajeev P K	2,61,000.00
8	Neethu K J	2,55,112.00
9	Litta Saji	2,12,131.00
10	Celine Xavier	2,02,500.00

INDEPENDENT AUDITOR'S REPORT

To the Members of

S.I. CAPITAL & FINANCIAL SERVICES LIMITED

Report on the Audit of Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **S.I. CAPITAL & FINANCIAL SERVICES LIMITED** (the company), which comprise the Balance Sheet as at 31st March 2024, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of changes in equity and Statement of Cash Flow for the year ended and notes to financial statement including a summary of significant accounting policies and other explanatory information (herein referred to as “standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act 2013 as amended (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian accounting standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards) Rules 2015, as amended (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2024, its loss including other comprehensive income, change in equity and its cash flow for the year ended on that date.

Basis for Opinion of the Financial Statement

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 standalone 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 standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

I. Provision for Expected Credit Losses (ECL) on Loans

Management estimates impairment provision using Expected Credit loss model for the loan exposure. Measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:

Timely identification and classification of the impaired loans, and

Determination of probability of defaults (PD) and estimation of loss given defaults (LGD) based on the value of collaterals and relevant factors.

The estimation of Expected Credit Loss (ECL) on financial instruments involves significant judgements and estimates. Following are points with increased level of audit focus: Classification of assets to stage 1, 2, or 3 using criteria in accordance with Ind AS 109; Accounting interpretations, modelling assumptions and data used to build and run the models; Measurement of individual borrowers' provisions assessment of multiple economic scenarios.

The disclosures made in the financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL. Refer note 43 to the standalone financial statements.

Principle Audit Procedures:

We evaluated the design and operating effectiveness of controls across the processes relevant to ECL. These controls, among others, included controls over the allocation of assets into stages including management's monitoring of stage effectiveness, model monitoring including the need for post model adjustments, model validation, credit monitoring, individual/collective provisions and production of journal entries and disclosures. We tested the completeness of loans included in the Expected Credit Loss calculations as of 31 March 2024. We tested assets in stage 1, 2 and 3 on sample basis to verify that they were allocated to the appropriate stage. For samples of exposure, we tested the appropriateness of determining Exposure at Default (EAD), PD and LGD. We performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment. We assessed the adequacy and appropriate.

We assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

Information other than the financial statements and auditor's report thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the standalone financial statements and our auditors' 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.

When we read the other information included in the above reports, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance and determine the actions under the applicable laws and regulations. We have nothing to report in this regard for the previous financial year.

Management's Responsibility for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance including other comprehensive income, cash flows and changes in equity of the company in accordance with Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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 control with reference to standalone financial statements in place and the operating effectiveness of the 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 company's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should

not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by Companies (Auditors Report) Order, 2020, issued by the 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 the paragraphs 3 and 4 of the order.
- 2) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Balance Sheet, The Statement of Profit and Loss including other comprehensive income, Statement of changes in Equity and Statement of cash flow dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended including the companies (Indian Accounting Standards) amendment rules, 2019.
 - e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company in reference to the financial statements and the operating effectiveness of such controls, refer our separate report in "Annexure- B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) The company has disclosed the impact of pending litigations on its financial position in its financials.
 - ii) The company did not have any long-term contract including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.
 - iv) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts,
 - (a) 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; and

(b) no funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- i) The company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the companies Act,2013 is not applicable for the FY 2023-24.
- j) Based on our examination which included test check, the company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our Audit we did not come across any instance of audit trail feature being tampered with. As Provision to Rule 3(1) of the Companies (Accounts) Rules,2014 is applicable from April 1, 2024, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 on preservation of audit trail as per the statutory requirement for record retention is not applicable for the financial year ended March 31,2024.

for Ayyar & Cherian
Chartered Accountants
Firm Registration No. 000284S

Dijo Philip Mathew
Membership No. 224930
Place: Ernakulam
Date: 28-05-2024
UDIN: 24224930BKACUJ9588

“Annexure A” to the Independent Auditors’ Report

Annexure referred to in Independent Auditor’s Report to the members of the company on the standalone financial statements for the year ended 31st March 2024.

- 1)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property Plant and Equipment & Intangible assets.
 - (b) According to the information and explanation given to me, all the fixed assets were physically verified during the year by the Management in accordance with a regular program of verification which, in my opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanation given to me, no material discrepancies were noticed on such verification.
 - (c) The title deeds of all the immovable properties (other than property where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
 - (d) According to the information and explanations give to me, the company has not revalued its Property, Plant and Equipment (including Right of Use Assets) or intangible assets or both during the year.
 - (e) According to the information and explanation given to me, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- 2) The Company is a Non-Banking Financial Company (‘NBFC’) and is in the business providing financial services and does not have any inventories. Accordingly, the Clause 3(ii) of the Order not applicable to the Company.
- 3) As explained to us, the company has not made investments in nor provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans granted, investments made and guarantees given, as applicable.
- 5) The Company has not accepted any deposits from the public or amounts which are deemed to be deposits during the year which attract the directives issued by the Reserve Bank of India. Being a Non-Banking Finance Company registered with Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed there under regarding acceptance of deposits are not applicable. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- 6) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the Company.
- 7)
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, Goods and Service Tax and other material statutory dues applicable to it with the appropriate authorities.

- (b) There were no undisputed amounts payable in respect of Provident Fund, Income Tax, Goods and Service Tax and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- 8) According to the information and explanation given to us, the company does not have any such transactions that are not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- 9) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- 10) (a) In our opinion and according to the information and explanations given to us, the Company has raised monies by way of initial public offer or further public offer (including debt instruments) during the year, which were applied for the purposes for which those are raised.
- (b) i) In our opinion and according to the information and explanations given to us, the company has made private placement of secured unlisted redeemable non-convertible debentures (the “debentures issue”) during the year and Section 42 of the Companies Act, 2013, have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- ii) In our opinion and according to the information and explanations given to us, the company has made preferential allotment of shares during the year and requirements of Section 62 of the Companies Act, 2013 have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company is compliance with Section 177 and 188 of the Act, where applicable, for all transactions with related parties and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- 14) a) The company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors for the period under audit were considered during the audit.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
- 16) a). The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b). The Company is registered as Non-Deposit Accepting Non-Banking Financial Company from the Reserve Bank of India as per the Reserve Bank of India Act, 1934
- c). The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India, therefore, the provisions of clause 3 (xvi)(c) of the Order is not applicable to the Company.
- 17) Based upon the audit procedures performed and the information and explanations given by the management, The company has incurred a cash loss of Rs 64.55 and 6.93 (Rs. in lakhs) in the

- financial year and in the immediately preceding financial year respectively.
- 18) There has been no resignation of the statutory auditors of the Company during the year.
- 19) According to the information and explanations given to us and 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 and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.
- 20) (a) Based upon the audit procedures performed and the information and explanations given by the management, in respect of other than ongoing projects, the Company has not transferred unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
(b) No such remaining unspent amount under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, has been transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act.
- 21) In our opinion consolidated financial statement is not applicable for the company. Therefore, the provisions of clause 3 (xxi) of the Order is not applicable to the Company.

For Ayyar & Cherian
Chartered Accountants
Firm Registration No. 000284S

Dijo Philip Mathew
Membership No. 224930
Place: Ernakulam
Date: 28-05-2024
UDIN: 24224930BKACUJ9588

“Annexure B” to the Independent Auditor’s Report

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

We have audited the internal financial controls over financial reporting of SI Capital & Financial Services Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 were 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 authorisations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the company maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ayyar & Cherian
Chartered Accountants
Firm Registration No. 000284S

Dijo Philip Mathew
Membership No. 224930
Place: Ernakulam
Date: 28-05-2024
UDIN: 24224930BKACUJ9588

S.I. Capital & Financial Services Limited
Standalone Balance Sheet as at 31 March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	Note No:	As at 31 March 2024	As at 31 March 2023
I. ASSETS			
1 Financial assets			
a) Cash and cash equivalents	9	61.12	45.65
b) Loans	10	909.77	510.28
c) Investments	11	0.66	0.03
d) Other financial assets	12	8.45	11.68
2 Non-financial assets			
a) Current tax assets (net)	13	2.03	0.68
b) Deferred tax assets (net)	35	6.76	6.76
c) Property, plant and Equipment	14	13.79	9.36
d) Other intangible assets	15	5.61	5.85
e) Other non-financial assets	16	11.13	8.29
Total assets		1,019.32	598.58
II. LIABILITIES AND EQUITY			
LIABILITIES			
1 Financial liabilities			
a) Payables			
(I) Trade payables			
(i) total outstanding dues of micro enterprises and small enterprises	17	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		9.75	7.24
b) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises			
b) Debt securities	18	430.36	108.10
c) Borrowings (other than debt securities)	19	151.31	25.17
d) Subordinated Liabilities	20	98.06	97.88
e) Other financial liabilities	21	24.56	25.32
2 Non-financial Liabilities			
a) Provisions	22	5.82	4.30
b) Other non-financial liabilities	23	3.51	1.17
		723.37	269.18
EQUITY			
a) Equity share capital	24	360.00	340.00
b) Other equity	25	(64.04)	(23.10)
c) Money received against share warrants (Ref Note.38)		-	12.50
Total liabilities and equity		1,019.32	598.58

See accompanying notes forming part of the standalone financial statements.

In terms of our report attached.

For Ayyar & Cherian
 Chartered Accountants
 FRN:0002845

Dijo Philip Mathew
 Partner
 Membership No.224930
 UDIN:23224930BGTNWJ4040

 Place: Ernakulam
 Date: 28-05-2024

For and on behalf of the Board of Directors
Sreeram Gopinathan Nair
 Managing Director
 DIN: 05143385

T. B. Ramakrishnan
 Director
 DIN: 01601072

Sujith K Ravindranath
 Company Secretary
 Membership No.:A39757

Ajeesh K.A
 Chief Financial Officer

 Place: Thrissur
 Date: 28-05-2024

S.I. Capital & Financial Services Limited
Standalone Statement of Profit and Loss for the year ended 31 March 2024
 (All amounts are in lakhs of Indian Rupees, unless otherwise stated)

S.No	Particulars	Note No:	Year ended 31 March 2024	Year ended 31 March 2023
(I)	Revenue from operations			
	(i) Interest income	26 (i)	161.37	82.33
	(ii) Dividend Income	26 (ii)	-	0.11
	(iii) Net gain on fair value changes	26 (iii)	-	0.05
	(iv) Sale of services	26 (iv)	11.41	8.94
	Total Revenue from operations (I)		172.78	91.43
(II)	Other income	27	3.75	21.29
(III)	Total Income (I + II)		176.53	112.72
	Expenses			
	(i) Finance costs	28	49.55	12.48
	(ii) Fees and commission expense	29	10.86	3.03
	(iii) Impairment on financial instruments	30	23.36	(1.27)
	(iv) Employee benefits expenses	31	84.64	37.95
	(v) Depreciation and amortisation	32	7.02	2.80
	(vi) Other expenses	33	72.68	67.46
(IV)	Total expenses (IV)		248.12	122.45
(V)	Profit/(Loss) before exceptional items and tax (III - IV)		(71.58)	(9.73)
(VI)	Exceptional items		-	-
(VII)	Profit/(Loss) before tax (III - IV)		(71.58)	(9.73)
(VIII)	Tax expense:	34		
	(1) Current tax		-	-
	(2) Deferred tax		-	-
(IX)	Profit/(Loss) for the year (V - VI)		(71.58)	(9.73)
(X)	Other comprehensive income			
A)	(i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	Subtotal (A)		-	-
B)	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other comprehensive income (A + B)		-	-
(XI)	Total comprehensive income for the year (VII + VIII)		(71.58)	(9.73)
(XII)	Earnings per equity share	36		
	Basic (Rs.)		(1.99)	(0.29)
	Diluted (Rs.)		(1.95)	(0.28)

See accompanying notes forming part of the standalone financial statements.

In terms of our report attached.

For Ayyar & Cherian
 Chartered Accountants
 FRN:0002845

Dijo Philip Mathew
 Partner
 Membership No.224930
 UDIN:23224930BGTNWJ4040

Place: Ernakulam
 Date: 28-05-2024

For and on behalf of the Board of Directors

Sreeram Gopinathan Nair
 Managing Director
 DIN: 05143385

T. B. Ramakrishnan
 Director
 DIN: 01601072

Sujith K Ravindranath
 Company Secretary
 Membership No.:A39757

Ajeesh K.A
 Chief Financial Officer

Place: Thrissur
 Date: 28-05-2024

S.I. Capital & Financial Services Limited		
Cash flow statement for the Year ended 31 March 2023		
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)		
Particulars	For the Year ended 31 March 2024	For the Year ended 31 March 2023
A. Cash flow from operating activities		
Net profit / (Loss) before tax	-71.58	-9.73
Adjustments for:		
Depreciation and amortization expense	7.02	2.80
Impairment on financial instruments	23.36	(1.27)
Profit on sale of property, plant and equipment	-	-
Profit on redemption of Mutual Funds	-	-
Profit on sale of Shares	-	(0.05)
Dividend Received	-	(0.11)
Forfeiture of Share warrants	-	(20.10)
Interest income from banks, investments and others	-	-
Unrealised gain on investment	-	-
Operating Profit before working capital changes	(41.21)	(28.46)
Changes in working capital and loans:		
Decrease / (increase) in non-financial assets	-2.84	(0.62)
Decrease / (increase) in loans	-422.85	(258.84)
Decrease / (increase) in other financial assets	3.23	(9.72)
Increase / (decrease) in trade payables	2.51	4.34
Increase / (decrease) in other financial liabilities	-0.75	23.28
Increase / (decrease) in provisions	1.52	0.15
Increase / (decrease) in other non-financial liabilities	2.34	0.48
	(416.84)	(240.94)
Cash generated from operations	(458.05)	(269.39)
Bank Charges		
Net income tax (paid)	-1.35	-0.57
Net cash flows from/(used in) operating activities (A)	(459.40)	(269.96)
B. Cash flow from investing activities		
Capital expenditure, including capital advances	-	-
Proceeds from sale of property, plant and equipment	-	-
Purchase of property, plant and Equipment	(11.21)	(8.20)
(Purchase) / Sale of investments	(0.63)	32.52
Profit on sale of Shares		
Profit on sale of Shares		
Interest received	-	-
Dividend Received	-	0.11
Bank balances not considered as cash and cash equivalents	-	-
Net cash flows from/(used in) investing activities (B)	(11.84)	24.43

S.I. Capital & Financial Services Limited		
Cash flow statement for the Year ended 31 March 2023		
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)		
C.	Cash flow from financing activities	
	Proceeds from borrowings from others	126.14
	Proceeds from issue of share capital	50.00
	Proceeds from issue of non convertible debentures	322.26
	Proceeds from Shares	0.63
	Subordinated liabilities	0.18
	Proceeds from money received against share warrants	(12.50)
	Net cash flow from financing activities (C)	486.71
	Net increase / (decrease) in cash and cash equivalents (A)	15.47
	Cash and cash equivalents at the beginning of the year	45.65
	Cash and cash equivalents at the end of the year	61.12
In terms of our report attached.		
For Ayyar & Cherian Chartered Accountants FRN:000284S		For and on behalf of the Board of Directors
Dijo Philip Mathew Partner Membership No.224930 UDIN:23224930BGTNWJ4040	Sreeram Gopinathan Nair Managing Director DIN: 05143385	T. B. Ramakrishnan Director DIN: 01601072
	Sujith K Ravindranath Company Secretary Membership No.:A39757	Ajeesh K.A Chief Financial Officer
Place: Ernakulam Date: 28-05-2024	Place: Thrissur Date: 28-05-2024	

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

1 Corporate Information

S.I.Capital & Financial Services Limited ("the Company") was incorporated on November 8, 1994 at Chennai, Tamil Nadu. The Company is a Non-Systemically Important Non-Deposit Taking Non Banking Financial Company and a Full Fledged Money Changer. The Company has been providing fund based and fee based services. The equity shares of the Company are listed on the BSE Limited. The Company is registered with the Reserve Bank of India (RBI). The registration details are as follows:

1. NBFC License No. - 07.00078
2. FFMC License No. - CHE-FFMC-0125-2023
3. Identity Number (CIN) : L67190TZ1994PLC040490

The Company is the Subsidiary company of the Sharewealth Securities Limited.

2 Basis of preparation

The financial statements have been prepared as a going concern in accordance with the Indian Accounting Standard ('Ind AS'), notified under section 133 of the Companies Act,2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules,2015 and Companies (Indian Accounting Standards) amendments Rules,2016 issued by the Ministry of Corporate Affairs (MCA). The Company has adopted Ind AS from April 1, 2019 with effective transition date as April 1, 2018

The preparation of financial statements requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and the disclosed amount of contingent liabilities. Areas involving a higher degree of judgement or complexity, or areas where assumptions are significant to the Company are discussed in Note 6 - Significant accounting judgements, estimates and assumptions.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs, except when otherwise indicated.

3 Presentation of financial statement

The financial statements of the Company are presented as per Schedule III (Division III) of the Companies Act, 2013 applicable to NBFCs, as notified (as amended) by the Ministry of Corporate Affairs (MCA). Financial assets and financial liabilities are generally reported on a gross basis except when, there is an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event and the parties intend to settle on a net basis in the following circumstances:

- i. The normal course of business
- ii. The event of default
- iii. The event of insolvency or bankruptcy of the Company and/or its counterparties.

4 Statement of compliance

These separate financial statements of the Company have been prepared in accordance with Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules, 2015 as amended and notified under Section 133 of the Companies Act, 2013 and the generally accepted accounting principles as referred to in paragraph 2 "Basis of Preparation" above.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

5 Significant accounting policies

5.1 Financial instruments

(i) Classification of financial instruments

The Company classifies its financial assets into the following measurement categories:

1. Financial assets to be measured at amortised cost
2. Financial assets to be measured at fair value through other comprehensive income
3. Financial assets to be measured at fair value through profit or loss account

The classification depends on the contractual terms of the financial assets' cash flows and the Company's business model for managing financial assets.

The Company determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective. The business model is assessed on the basis of aggregated portfolios based on observable factors. These factors include:

- ▶ Reports reviewed by the entity's key management personnel on the performance of the financial assets
- ▶ The risks impacting the performance of the business model (and the financial assets held within that business model) and its management thereof
- ▶ The compensation of the managing teams (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected)
- ▶ The expected frequency, value and timing of trades.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account.

The Company also assesses the contractual terms of financial assets on the basis of its contractual cash flow characteristics that are solely for the payments of principal and interest on the principal amount outstanding.

'Principal' is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

In making this assessment, the Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e. interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss.

The Company classifies its financial liabilities at amortised costs unless it has designated liabilities at fair value through the profit and loss account or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

(ii) Financial assets measured at amortised cost

These Financial assets comprise bank balances, Loans and other financial assets.

Financial Assets with contractual terms that give rise to cash flows on specified dates, and represent solely payments of principal and interest on the principal amount outstanding; and are held within a business model whose objective is achieved by holding to collect contractual cash flows are measured at amortised cost.

These financial assets are initially recognised at fair value plus directly attributable transaction costs and subsequently measured at amortised cost. Transaction costs are incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or a financial liability.

(iii) Financial assets measured at fair value through profit or loss

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31 March 2024

Items at fair value through profit or loss comprise:

- Investment in equity shares held for trading;
- Items specifically designated as fair value through profit or loss on initial recognition; and
- debt instruments with contractual terms that do not represent solely payments of principal and interest.

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit and loss as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the statement of profit and loss as they arise.

Financial instruments held for trading

A financial instrument is classified as held for trading if it is acquired or incurred principally for selling or repurchasing in the near term, or forms part of a portfolio of financial instruments that are managed together and for which there is evidence of short-term profit taking, or it is a derivative not designated in a qualifying hedge relationship.

Trading derivatives and trading securities are classified as held for trading and recognised at fair value.

(iv) Debt securities and other borrowed funds

After initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost. Amortised cost is calculated by taking into account any discount or premium on issue funds, and transaction costs that are an integral part of the Effective Interest Rate (EIR).

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

(v) Recognition and derecognition of financial assets and liabilities

A financial asset or financial liability is recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument, which is generally on trade date. Loans and receivables are recognised when cash is advanced (or settled) to the borrowers. Financial assets at fair value through profit or loss are recognised initially at fair value. All other financial assets are recognised initially at fair value plus directly attributable transaction costs.

The Company derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership are transferred. Any interest in transferred financial assets that is created or retained by the Company is recognised as a separate asset or liability. A financial liability is derecognised from the balance sheet when the Company has discharged its obligation or the contract is cancelled or expires.

(vi) Impairment of financial assets

The Company recognises impairment allowance for expected credit loss on financial assets held at amortised cost.

The Company recognises loss allowances (provisions) for expected credit losses on its financial assets (including non-fund exposures) that are measured at amortised costs or at fair value through other comprehensive income account.

The Company applies a three-stage approach to measuring expected credit losses (ECLs) for the Loan assets that are not measured at fair value through profit or loss. No ECL is recognised on equity investments. Financial assets migrate through the following three stages based on the change in credit risk since initial recognition:

Stage 1: 12-months ECL

For exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12 months is recognised.

Stage 2: Lifetime ECL - not credit impaired

For exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired, a lifetime ECL (i.e. reflecting the remaining lifetime of the financial asset) is recognised.

Stage 3: Lifetime ECL - credit impaired

Exposures are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount.

Determining the stage for impairment

At each reporting date, the Company assesses whether there has been a significant increase in credit risk for exposures since initial recognition by comparing the risk of default occurring over the expected life between the reporting date and the date of initial recognition. The Company considers reasonable and supportable information that is relevant and available without undue cost or effort for this purpose. This includes quantitative and qualitative information and also, forward-looking analysis.

An exposure will migrate through the ECL stages as asset quality deteriorates. If, in a subsequent period, asset quality improves and also reverses any previously assessed significant increase in credit risk since origination, then the loss allowances reverts from lifetime ECL to 12-months ECL.

The loss allowances for these financial assets is based on a 12-months ECL.

When an asset is uncollectible, it is written off against the related allowance. Such assets are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off reduce the amount of the allowances in the profit and loss statement.

The Company assesses whether the credit risk on an exposure has increased significantly on an individual or collective basis. For the purposes of a collective evaluation of impairment, financial instruments are grouped on the basis of shared credit risk characteristics, taking into account instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower and other relevant factors.

Measurement of ECLs

ECLs are derived from unbiased and probability-weighted estimates of expected loss, and are measured as follows:

- Financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls over the expected life of the financial asset discounted by the effective interest rate. The cash shortfall is the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive. The Company has grouped its various financial assets in to pools containing loans bearing homogeneous risks characteristics. The probability of default for the pools are computed based on the historical trends, adjusted for any forward looking factors. Similarly the Company computes the Loss Given Default based on the recovery rates.
- Financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted by the effective interest rate.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. However, the fair value of collateral affects the calculation of ECLs. To the extent possible, the Company uses active market data for valuing financial assets held as collateral. Other financial assets which do not have readily determinable market values are valued using models. Non-financial collateral, such as vehicles, is valued based on data provided by third parties or management judgements.

Collateral repossessed

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio and generally disposes such assets through auction, to settle outstanding debt. Any surplus funds are returned to the customers/obligors. As a result of this practice, assets under legal repossession processes are not recorded on the balance sheet.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

(vii) Write-offs

The Company reduces the gross carrying amount of a financial asset when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subjected to write-offs. Any subsequent recoveries against such loans are credited to the statement of profit and loss.

(viii) Determination of fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5.2 Revenue from operations

(i) Interest Income

Interest income is recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial assets other than credit-impaired assets and financial assets classified as measured at FVTPL.

The EIR in case of a financial asset is computed

- a. As the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows
- c. Including all fees received between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

(ii) Dividend Income

Dividend income is recognised

- a. When the right to receive the payment is established,
- b. it is probable that the economic benefits associated with the dividend will flow to the entity and
- c. the amount of the dividend can be measured reliably.

(iii) Fees & Commission Income

Fees and commissions are recognised when the Company satisfies the performance obligation, at fair value of the consideration received or receivable. Processing fee which is not form part of effective interest rate has been recognised as and when it accrues.

(iv) Net gain on Fair value changes

Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain / loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" under Revenue from operations and if there is a net loss the same is disclosed under "Expenses" in the statement of Profit and Loss.

Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes. As at the reporting date the Company does not have any financial instruments measured at FVTPL and debt instruments measured at FVOCI.

However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

5.3 Expenses

(i) Finance costs

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31 March 2024

Finance costs represents Interest expense recognised by applying the Effective Interest Rate (EIR) to the gross carrying amount of financial liabilities other than financial liabilities classified as FVTPL.

The EIR in case of a financial liability is computed

- a. As the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the gross carrying amount of the amortised cost of a financial liability.
- b. By considering all the contractual terms of the financial instrument in estimating the cash flows
- c. Including all fees paid between parties to the contract that are an integral part of the effective interest rate, transaction costs, and all other premiums or discounts.

Any subsequent changes in the estimation of the future cash flows is recognised in interest income with the corresponding adjustment to the carrying amount of the assets.

Interest expense includes issue costs that are initially recognized as part of the carrying value of the financial liability and amortized over the expected life using the effective interest method. These include fees and commissions payable to advisers and other expenses such as external legal costs, Rating Fee etc, provided these are incremental costs that are directly related to the issue of a financial liability.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

(ii) Retirement and other employee benefits

Short term employee benefit

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised as an expense during the period. Benefits such as salaries and wages, etc. and the expected cost of the bonus/ex-gratia are recognised in the period in which the employee renders the related service.

Post-employment employee benefits

a) Defined contribution schemes

All the employees of the Company are entitled to receive benefits under the Provident Fund and Employees State Insurance scheme, defined contribution plans in which both the employee and the Company contribute monthly at a stipulated rate. The Company has no liability for future benefits other than its annual contribution and recognises such contributions as an expense in the period in which employee renders the related service. If the contribution payable to the scheme for service received before the Balance Sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the Balance Sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

b) Defined Benefit schemes

The Company provides for the gratuity, a defined benefit retirement plan covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'.

(iii) Other income and expenses

All Other income and expense are recognized in the period they occur.

(iv) Impairment of non-financial assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset.

In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(v) Taxes

Current Tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from, or paid to, the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted, or substantively enacted, by the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax assets and liabilities are recognised for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are only recognised for temporary differences, unused tax losses and unused tax credits if it is probable that future taxable amounts will arise to utilise those temporary differences and losses. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities are realised simultaneously.

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31 March 2024

Minimum Alternate Tax (MAT)

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that it is probable that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the MAT Credit Entitlement asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Goods and services tax /value added taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

- When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable
- When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

5.4 Cash and cash equivalents

Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) and are subject to an insignificant risk of change in value, cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments (rather than for investment or other purposes).

Cash Flows are reported using the indirect method whereby cash flows from operating, investing and financing activities of the Group are segregated and profit before tax is adjusted for the effects of transactions of non - cash nature and any deferrals or accruals of past or future cash receipts or payments.

5.5 Property, Plant and equipment (PPE)

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and accumulated impairment, (if any). The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management. Changes in the expected useful life are accounted for by changing the amortisation period or methodology, as appropriate, and treated as changes in accounting estimates.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset, beyond its previously assessed standards of performance and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation is calculated using the Written Down Value Method (WDV) in accordance with the useful life prescribed in Schedule II to the Companies Act, 2013 to write down the cost of property and equipment to their residual values over their estimated useful lives. Land is not depreciated.

The estimated useful lives are, as follows:

Particulars	Useful life estimated by Company
Computers and data processing units	
- Enduser devices -Desktops, Laptops	3 years
Furniture and fittings	
- General	10 years
Office equipment	5 years

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.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised. The date of disposal of an item of property, plant and equipment is the date the recipient obtains control of that item in accordance with the requirements for determining when a performance obligation is satisfied in Ind AS 115.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31 March 2024

5.6 Intangible assets

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Company.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

The useful lives of intangible assets are assessed to be either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life, or the expected pattern of consumption of future economic benefits embodied in the asset, are accounted for by changing the amortisation period or methodology, as appropriate, which are then treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is presented as a separate line item in the statement of profit and loss. Amortisation on assets acquired/sold during the year is recognised on a pro-rata basis to the Statement of Profit and Loss from / upto the date of acquisition/sale.

Amortisation is calculated using the straight-line method to write down the cost of intangible assets to their residual values over their estimated useful lives. Intangible assets comprising of software are amortised on a straight-line basis over a period of 6 years, unless it has a shorter useful life.

The Company's intangible assets consist of computer software with definite life.

Gains or losses from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

5.7 Provisions

Provisions are recognised when the enterprise has a present obligation (legal or constructive) as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the enterprise determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the statement of profit and loss net of any reimbursement.

5.8 Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

5.9 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

5.10 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors (BOD) of the Company assesses the financial performance and position of the Company, and makes strategic decisions. The BOD, which has been identified as being the chief operating decision maker. The Company is engaged in the business of i) Lending finance and ii) Fees & commission income. The said business are aggregated for the purpose of review of performance by CODM. Accordingly, the Company has concluded that the business of lending finance and fees & commission income to be the only reportable segment.

5.11 Leases

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. Since all leases of the Company is for a term less than 12 months, single lessee accounting model under Ind AS 116 is not applicable.

6 Significant accounting judgements, estimates and assumptions

The preparation of financial statements in conformity with the Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosure and the disclosure of contingent liabilities, at the end of the reporting period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

7 Impairment of loans portfolio

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

The impairment loss on loans and advances is disclosed in more detail in Note 5.1(vi) Overview of ECL principles.

In case, higher provisions are to be considered as per the prudential norms of the Reserve Bank of India, they are considered.

8 Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the product life cycle (including prepayments and penalty interest and charges).

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 9: Cash and cash equivalents

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on hand	18.97	16.26
Balances with Banks in current accounts - In current accounts	42.14	29.39
	61.12	45.65

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 10: Loans

Particulars	As at 31st March 2024					As at 31st March 2023				
	Amortised Cost	At Fair value			Total	Amortised Cost	At Fair value			Total
		Through Other Comprehensive Income	Through profit or loss	Designated at Fair Value Through profit or loss			Through Other Comprehensive Income	Through profit or loss	Designated at Fair Value Through profit or loss	
LOANS										
(A)										
(i) Gold Loan	371.32	-	-	-	371.32	154.01	-	-	-	154.01
(ii) Vehicle Loan	104.04	-	-	-	104.04	102.68	-	-	-	102.68
(iii) Business Loan	338.20	-	-	-	338.20	236.69	-	-	-	236.69
(iv) Personal Loan	99.40	-	-	-	99.40	19.19	-	-	-	19.19
(v) Term Loan	22.46	-	-	-	-	-	-	-	-	-
Total (A) - Gross	935.42	-	-	-	935.42	512.57	-	-	-	512.57
Less: Impairment loss allowance	25.65	-	-	-	25.65	2.29	-	-	-	2.29
- Provision for non performing assets	2.04	-	-	-	2.04	0.27	-	-	-	0.27
- Provision for standard assets	23.61	-	-	-	23.61	2.02	-	-	-	2.02
Total (A) - Net	909.77	-	-	-	909.77	510.28	-	-	-	510.28
(B)										
(i) Secured by tangible assets	497.82	-	-	-	23.61	256.70	-	-	-	2.02
(ii) Unsecured	437.60	-	-	-	886.16	255.88	-	-	-	508.26
Total (B) - Gross	935.42	-	-	-	935.42	512.57	-	-	-	512.57
Less: Impairment loss allowance	25.65	-	-	-	25.65	2.29	-	-	-	2.29
Total (B) - Net	909.77	-	-	-	909.77	510.28	-	-	-	510.28
(C)										
Loans In India										
(i) Public Sector	-	-	-	-	-	-	-	-	-	-
(ii) Others	935.42	-	-	-	935.42	512.57	-	-	-	512.57
Total (C) - Gross	935.42	-	-	-	935.42	512.57	-	-	-	512.57
Less: Impairment loss allowance	25.65	-	-	-	25.65	2.29	-	-	-	2.29
Total (C) - Net	909.77	-	-	-	909.77	510.28	-	-	-	510.28

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 11: Investments

Particulars	As at 31 March 2024				As at 31st March 2022			
	Amortised Cost	At Fair Value through profit or Loss	Others	Total	Amortised Cost	At Fair Value through profit or Loss	Others	Total
(i) Equity Instruments In others								
384 Equity shares of Rs. 165/- each fully paid in Dalmia Bharat Refractories Limited	-	0.63	-	0.63	-	-	-	-
100 Equity shares of Rs.10/- each fully paid in Thambbi Modern Spinning Mills Ltd.	-	0.01	-	0.01	-	0.01	-	0.01
400 Equity shares of Rs.10/- each fully paid in Ganapathy Mills Ltd	-	0.02	-	0.02	-	0.02	-	0.02
Total Gross (A)	-	0.66	-	0.66	-	0.03	-	0.03
(i) Investments outside India	-	-	-	-	-	-	-	-
(ii) Investments in India	-	0.66	-	0.66	-	0.03	-	0.03
Total Gross (B)	-	0.66	-	0.66	-	0.03	-	0.03
Less : Allowance for impairment loss/(C)	-	-	-	-	-	-	-	-
Total - Net (D) = (A) - (C)	-	0.66	-	0.66	-	0.03	-	0.03

Investment designated as FVTPL is a portfolio of equity instruments. Equity Instruments have been classified at Fair value through profit and loss since cash flows from equity instruments does not represent solely payment of principal and interest.

During the FY 2022-23 & 2023-24, Certain investments as mentioned below is recognised as Prior period errors due to omissions from, and misstatements in, the entity's financial statements of earliest prior periods as per paragraph 42, subject to paragraph 43 of Ind AS 8 'Accounting Policies, changes in Accounting Estimates and Errors'. As per the said standard, the entity shall correct material prior period errors retrospectively except to the extent that it is impracticable to determine either the period-specific effects or the cumulative effect of the error in the first set of financial statements approved for issue after their discovery by:

(a) restating the comparative amounts for the prior period(s) presented in which the error occurred; or

(b) if the error occurred before the earliest prior period presented, restating the opening balance of assets, liabilities and equity for the earliest prior period presented

During the financial year 2022-23 & 2023-24, while undergoing the procedures and processes in the shifting of registered office of the company from the jurisdiction of RoC-Chennai to RoC-Coimbatore, the company discovered physical share certificates of some investments made in the past. Those shares were dematerialised and brought to the demat account of the company. The errors of the prior periods were restated retrospectively, by restating the opening balance of (Investment - Note no. 11) and correspondingly in the opening balance of Other Equity (Note No. 25).

Particulars	ISIN Code	2023-24			2022-23		
		No.	Rate	Value	No.	Rate	Value
Dalmia Bharat Refractories Limited	INE06B01012	384	165.00	0.63	-	-	
The Sri Ganapathy Mills company Ltd	INE458F01018	400	3.08	0.01	400	3.08	
Thambbi Modern Spinning Mills Ltd.	INE830001016	100	14.88	0.01	100	14.88	
TOTAL				0.66		0.03	

S.I. Capital & Financial Services Limited						
Notes to Standalone Financial Statements for the year ended 31st March 2024						
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)						
Note 12: Other financial assets						
Particulars	As at 31 March 2024		As at 31 March 2023			
Security deposits						
- Rental deposits	5.71		5.31			
- Other security deposits	0.35		0.35			
Others						
- Proceeds from Sale of Liquid mutual fund	-		-			
- Others	2.39		6.02			
Total	8.45		11.68			
Note 13: Current tax assets (net)						
Particulars	As at 31 March 2024		As at 31 March 2023			
Income Tax Refund and tax deducted at source (net of provisions)	2.03		0.68			
Total	2.03		0.68			
S.I. Capital & Financial Services Limited						
Notes to Standalone Financial Statements for the year ended 31st March 2024						
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)						
Note 14: Property, plant and equipment						
Particulars	Office Equipment	Electrical Installation	Computer Equipment	Furniture and Fixtures	Plant and Equipment	Total
Cost:						
At 1 April 2023	4.69	1.15	9.40	14.66	10.19	40.09
Additions	1.53	0.61	2.12	5.60	-	9.86
Disposals	-	-	-	-	-	-
At 31 March 2024	6.22	1.76	11.52	20.26	10.19	49.95
Accumulated Depreciation:						
At 1 April 2023	2.17	0.96	7.35	10.44	9.81	30.73
Disposals	-	-	-	-	-	-
Depreciation charge for the year	1.37	0.23	1.79	2.04	0.01	5.44
At 31 March 2024	3.54	1.19	9.14	12.48	9.82	36.17
Carrying Amount						
At 1 April 2023	2.53	0.19	2.05	4.22	0.38	9.36
At 31 March 2024	2.69	0.57	2.38	7.78	0.37	13.78

S.I. Capital & Financial Services Limited		
Notes to Standalone Financial Statements for the year ended 31st March 2024		
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)		
Note 15: Other intangible assets		
Particulars	Computer Software	
Cost:		
At 1 April 2023		9.95
Additions		1.35
Disposals		-
At March 2024		11.30
Accumulated amortisation		
At 1 April 2023		4.11
Disposals		-
Amortisation charge for the year		1.58
At March 2024		5.69
Carrying Amount		
At 1 April 2023		5.85
At March 2024		5.61
Note 16: Other non-financial assets		
Particulars	As at 31 March 2024	As at 31 March 2023
Balances with government authorities	10.89	8.05
Other Receivables	0.24	0.24
Total	11.13	8.29

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 17: Trade payables

Particulars	As at 31 March 2024	As at 31 March 2023
(i) total outstanding dues of micro enterprises and small enterprises -(MSME)	-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	9.75	7.24
(a) total outstanding dues of creditors other than micro enterprises and small enterprises	7.83	5.97
(b) Employee related payable	1.93	1.27
(c) Other Payables	-	-
Total	9.75	7.24

Trade Payable Ageing Schedule

Particulars	Outstanding for the following periods from due date of payment				
	Less than 1 year	1-2 year	2-3 year	More than 3 year	Total
(i) total outstanding dues of micro enterprises and small enterprises -(MSME)	-	-	-	-	-
(ii) total outstanding dues of creditors other than	9.75	-	-	-	9.75
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-

Note 18: Debt securities

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost:		
Unlisted Redeemable Non-Convertible Debentures (Secured)	430.36	108.10
Total	430.36	108.10
Debt Series liabilities in India	430.36	108.10
Total	430.36	108.10

The company has issued Secured Unlisted Redeemable Non-Convertible Debentures (the"Debentures") during the year aiming to increase the fund inflow in trenches, and in dematerialized form to the proposed Person(s) belonging to Promoter Category and or to Person(s) belonging to Non-promoter category, by way of Private Placement ("Debenture issue") .

For meeting the prospective financial needs directing towards its growth and expansion, your company has raised Rs.1.075 crores from 31 persons belonging to promoter and non-promoter category through issuance of Secured unlisted Redeemable Non-Convertible Debentures by way of private placement in dematerialized form in the last quarter. The Company has allotted 10750 Secured unlisted Redeemable Non-Convertible Debentures at the rate of Rs.1000 each.

Tranches	Series	Rate of Interest	No. of Debentures	Face value	Amount
Tranche 1	Series I	11.00%	3700	1000	37.00
Tranche 2	Series I	11.60%	1200	1000	12.00
Tranche 1	Series II	11.00%	3600	1000	36.00
Tranche 2	Series II	9.00%	2250	1000	22.50
Tranche 1	Series III	10.00%	1800	1000	18.00
Tranche 2	Series III	11.50%	4450	1000	44.50
Tranche 1	Series IV	11.00%	3400	1000	34.00
Tranche 2	Series IV	10.00%	1100	1000	11.00
Tranche 1	Series V	10.25%	1000	1000	10.00
Tranche 2	Series V	11.50%	3500	1000	35.00
Tranche 3	Series V	12.00%	2800	1000	28.00
Tranche 1	Series VI	11.50%	3300	1000	33.00
Tranche 2	Series VI	12.00%	4200	1000	42.00
Tranche 1	Series VII	11.50%	3000	1000	30.00
Tranche 1	Series VIII	12.00%	3400	1000	34.00
Total			42,700.0	1000	427.0

Debenture Redemption Reserve

Pursuant to notification issued by Ministry of Corporate Affairs on 16th August, 2019 in exercise of the powers conferred by sub-Also such creation of Debenture redemption reserve is not required as the company shall create a debenture redemption reserve

Note 19: Borrowings (other than debt securities)

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost:		
a. Term Loan from Bank-CSB Bank-Secured	126.16	-
b. Loan from Related Party-Sharewealth Chits Ltd-Unsecured	25.14	25.17
Total	151.31	25.17

The Company has raised Inter Corporate Loan of Rs.25 lakhs from M/s Sharewealth Chits Limited, fellow subsidiary of the Holding

	2.80
As at 31 March 2024	<u>151.31</u>
As at 31 March 2023	<u>25.17</u>

Note 20: Subordinated Liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
At amortised cost:		
Subordinated debt from banks	-	-
Subordinated debt from others	98.06	97.88
Total	98.06	97.88
Subordinate liabilities in India	98.06	97.88
Total	98.06	97.88

Subordinate debts from others:

Subordinate bonds have a face value of Rs 1/- each. Details of rate of interest and maturity pattern from the date of the balance sheet is as under:

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Schedule of Subdebts Maturity Pattern

Redeemable at par within	2023-24					2022-23				
	10.50%		11.00%		Total Amount	10.50%		11.00%		Total Amount
	Number	Amount	Number	Amount		Number	Amount	Number	Amount	
Due after 5 years	-	-	-	-	-	-	-	-	-	-
Due within 4-5 years	-	-	-	-	-	-	-	2.00	2.15	2.15
Due within 3-4 years	-	-	2.15	2.15	2.15	1.00	10.00	1.00	6.00	16.00
Due within 2-3 years	10.00	10.00	6.00	6.00	16.00	17.00	45.85	16.00	32.00	77.85
Due within 1-2 years	45.85	45.85	32.00	32.00	77.85	-	-	-	-	-
Due within 1 year	-	-	-	-	-	-	-	-	-	-
Grand Total	55.85	55.85	40.15	40.15	96.00	18.00	55.85	19.00	40.15	96.00

Effective Interest rate adjustment	(0.13)	Effective Interest rate adjustment	(0.18)
Interest accrued as on 31st March 2024	2.18	Interest accrued as on 31st March 2023	2.06
As at 31 March 2024	<u>98.06</u>	As at 31 March 2023	<u>97.88</u>

Schedule of Non Convertible Debentures Maturity Pattern																
Redeemable at par within	9.00%		10.00%		10.25%		11.00%		11.90%		12.00%		16.67%		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Amount	
Due after 5 years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due within 4-5 years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4450.00	44.50	10400.00	104.00	1200.00	12.00	160.50	160.50
Due within 3-4 years	0.00	0.00	0.00	0.00	0.00	0.00	7300.00	73.00	0.00	0.00	0.00	0.00	0.00	0.00	73.00	73.00
Due within 2-3 years	0.00	0.00	0.00	0.00	0.00	0.00	3400.00	34.00	9800.00	98.00	0.00	0.00	0.00	0.00	137.00	137.00
Due within 1-2 years	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Due within 1 year	2250.00	22.50	2900.00	29.00	1000.00	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	61.50	61.50
Grand Total	2,250.00	22.50	2,900.00	29.00	1,000.00	10.00	10,700.00	107.00	14,250.00	142.50	10,400.00	104.00	1,200.00	12.00	427.00	427.00

Interest accrued as on 31st March 2024

As at 31 March 2024

3.36

430.36

Redeemable at par within	9.00%		11.00%		11.60%		Total
	Number	Amount	Number	Amount	Number	Amount	Amount
Due after 5 years					1,200.00	12.00	12.00
Due within 4-5 years			7,300.00	73.00			73.00
Due within 3-4 years							0.00
Due within 2-3 years							0.00
Due within 1-2 years	2,250.00	22.50					22.50
Due within 1 year							0.00
Grand Total	2,250.00	22.50	7,300.00	73.00	1,200.00	12.00	107.30

Interest accrued as on 31st March 2023

As at 31 March 2023

0.60

108.70

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 21: Other financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Others	24.56	25.32
	24.56	25.32

Note 22: Provisions

Particulars	As at 31 March 2024	As at 31 March 2023
Gratuity	5.82	4.30
	5.82	4.30

Note 23: Other non-financial liabilities

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory dues payable	3.51	1.17
	3.51	1.17



S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 24: Equity share capital

The reconciliation of equity shares outstanding at the beginning and at the end of the period

	As at 31 March 2024	As at 31 March 2023
Authorised		
60,00,000 (31 March 2022: 60,00,000) equity shares of Rs. 10/- each	600.00	600.00
	600.00	600.00
Issued, subscribed and fully paid up		
34,00,000 (31 March 2022: 30,00,000) equity shares of Rs. 10/- each	360.00	340.00
Total Issued, subscribed and fully paid up	360.00	340.00
Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year		
	No. in Lakhs	No. in Lakhs
Balance as at 1 April 2023	34.00	30.00
Changes in equity share capital during the year	2.00	4.00
Balance as at 31 March 2024	36.00	34.00

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 shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors (if any) is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. Consequent upon the approval of shareholders of the Company accorded for preferential issue through postal ballot on March 17, 2022 and in-principle approval accorded by the BSE Limited on March 23, 2022, allotted of 2,00,000 (Two Lakh only) Equity Shares of face value Rs. 10/- (Rupees Ten only) each, at a price of Rs.25/- (Rupees Twenty five only) each, including a premium of Rs.15/- (Rupees Fifteen only)each to Mr Anu T Cherlyan(a non promoter). Additionally in October 2022, 2 lakhs equity shares were issued as a result of conversion of 2 lakh convertible warrants of face value Rs. 10/- (Rupees Ten only) each, at a price of Rs.25/- (Rupees Twenty five only) each, including a premium of Rs.15/- (Rupees Fifteen only)each to Share wealth Securities Limited (a promoter).

Details of shareholders holding more than 5% shares in the Company

Particulars	31-Mar-24		31-Mar-23	
	No. in Lakhs	% holding in the class	No. Lakhs	% holding in the class
Sharewealth Securities Ltd	18.43	51.21	18.24	53.64
Anu T Cherlyan	4.00	11.11	2.00	5.88

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Details of shareholding of Promoters of the Company

Shares held by promoters at the end of the year			
Promoters Name	No of Share	% of Shares	% of change during the year
Sharewealth Securities Ltd	18.43	51.21	1.06
Total	18.43	51.21	1.06

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 25: Other equity	
Statutory reserve pursuant to Section 45-IC of the RBI Act, 1934	
At 31 March 2023	28.69
Add: Transfer from surplus balance in the Statement of Profit and Loss	-
At 31 March 2024	28.69
Retained earnings	
At 1 April 2021	(89.47)
Add: Profit for the year	(12.59)
Less: Appropriations	-
Transfer to Statutory Reserve	-
At 31 March 2022	(101.43)
At 1 April 2022	(101.43)
Add: Profit for the year	(9.73)
Less: Appropriations	-
Transfer to Statutory Reserve	-
At 31 March 2023	(111.16)
Add: Profit for the year	(71.58)
Less: Appropriations	-
Transfer to Statutory Reserve	-
At 31 March 2024	(182.74)
Securities Premium	
At 1 April 2021	-
Issue of equity shares for cash	-
At 31 March 2022	-
At 1 April 2022	-
Issue of equity shares for cash	60.00
At 31 March 2023	60.00
Issue of equity shares for cash	30.00
At 31 March 2024	90.00
Total other equity	
At 31 March 2022	(72.73)
At 31 March 2023	(22.46)
At 31 March 2024	(64.04)

Nature and purpose of Reserves

Statutory reserve (Statutory Reserve pursuant to Section 45-IC of The RBI Act, 1934): Section 45IC of Reserve Bank of India Act, 1934 ("RBI Act, 1934") defines that every non banking finance institution which is a Company shall create a reserve fund and transfer therein a sum not less than twenty percent of its net profit every year as disclosed in the statement of profit and loss before any dividend is declared. The Company has not created any special reserve (20% of Profit) under Section 45-IC of RBI Act, 1934 for Current year (FY 2022-23) and Previous year (FY 2021-22) since, the Company has incurred losses.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 26: Revenue from operations

Note 26 (i): Interest income

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
<i>On financial assets measured at amortised cost:</i>		
Interest on loans		
- Gold loans	44.47	10.89
- Vehicle Loans	23.03	25.47
- Business Loans	77.15	36.33
- Personal Loans	13.96	2.98
- Term Loans	2.76	6.66
Interest on deposits with banks	-	-
Total	161.37	82.33

Note 26 (ii): Dividend Income

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
Dividend Income	-	0.11
Total	-	0.11

Note 26 (iii): Net gain on fair value changes

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
(A) Net gain on financial instruments at fair value through profit or loss		
(i) On trading portfolio		
- Investments	-	0.05
(ii) On financial instruments designated at fair value through profit or loss	-	-
(B) Others		
(i) Loss on fair valuation of equity shares	-	-
Total Net gain fair value changes	-	0.05
Fair value changes:		
- Realised	-	0.05
- Unrealised	-	-
Total Net gain fair value changes (B)	-	0.05

Note 26 (iv): Sale of services

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
Income from Foreign Exchange business	11.41	8.94
Total	11.41	8.94

Note 27: Other income

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
Others	3.75	21.29
Total	3.75	21.29

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 28: Finance costs

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
<i>On financial liabilities measured at amortised cost:</i>		
Interest on borrowings	-	-
Interest on ICD	3.00	0.93
Interest on Gold Loan Repledge Account	6.17	-
Interest on debt securities	30.20	1.26
Interest on subordinated liabilities	10.18	10.29
Other interest expense		
- Net gain or loss on foreign currency transaction and		
Total	49.55	12.48

Note 29: Fees and commission expense

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
<i>On financial liabilities measured at amortised cost:</i>		
Commission paid	10.86	3.03
Total	10.86	3.03

Note 30: Impairment on financial instruments

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
<i>On financial instruments measured at amortised cost:</i>		
Loans		
- Standard assets	21.59	0.57
- Non-performing assets	1.77	(1.83)
Total	23.36	(1.27)

Note 31: Employee benefits expense

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
Salaries and wages	77.74	35.57
Contribution to provident and other funds	5.89	1.90
Staff welfare expenses	1.00	0.48
Total	84.64	37.95

Note 32: Depreciation, amortization and impairment

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
Depreciation of tangible assets	1.53	1.53
Amortisation of intangible assets	1.26	1.26
Total	7.02	2.80

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 33: Other expenses

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
Rent	18.85	12.39
Rates and taxes	2.85	9.20
Energy costs	2.43	1.26
BUSINESS PROMOTION EXP	1.14	-
Repairs and maintenance	3.19	1.27
Communication costs	2.02	1.08
Printing and stationery	1.50	1.68
Advertising and publicity	2.33	2.85
Director's fees, allowances and expenses	0.97	1.36
Auditor's fees and expenses (Refer Note 27 (i))	1.90	1.45
Legal and professional charges	18.08	8.17
Company Law matters	0.20	0.35
Insurance	0.23	0.14
Travelling and conveyance	5.64	3.99
Baddebt	-	14.27
Bank charges	0.33	0.14
Information Technology Support costs	7.08	3.27
Rebate on Loan	0.25	0.32
Loss on Auction	-	-
Miscellaneous expense	3.71	4.27
Total	72.68	67.46

Note (i) Auditor's fees and expenses

Particulars	For year ended 31 March 2024	For year ended 31 March 2023
(a) Auditor	1.50	1.20
(b) for taxation matters	-	-
(c) for Company law matters	-	-
(d) for other services	0.40	0.25
(e) for reimbursement of expenses	-	-
Total	1.90	1.45

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 37: Retirement Benefit Plan

Defined Contribution Plan

The Company makes Provident Fund contribution which is defined contribution plan for qualifying employees. Under the Scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognized Rs. 4.27 lakhs (31 March 2023: Rs. 1.74 Lakhs) for Provident Fund contribution in the Statement of Profit and Loss. The contribution payable to these plans by the Company are at rates specified in the rules of the Scheme.

Defined Benefit Plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Note 38: Convertible Warrants

During the year the company has allotted 2,00,000 equity shares against the conversion of 2,00,000 Convertible Warrants held by Mr. Anu T Cheriyan on 05.10.2023.

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31 March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 39: Related Party Disclosures

<u>Relationship</u>	<u>Name of the party</u>
Holding company	Sharewealth Securities Limited
Fellow Subsidiaries	Sharewealth Commodities Private Limited Sharewealth Chits Limited Sharewealth Wealth Management Limited
Non- Executive Directors	Mr. Thandassery Balachandran Ramakrishnan Mr. Unnikrishnan Anchery Mr. Anil Menon Mrs. Jitha Chummar Mr. Anu Thomas Cheriyan(w.e.f 13th June 2022 Mr. K K Paul (w.e.f 07th February 2023)
Non- Executive Independent Director	Mr. Rajesh Narayan Pillai Mr. Manazhy Vinod Mr. Abraham George Mr. Habeeb Rahiman (Ceased from 16 th June 2023) Mr. Jacob Thomas (w.e.f 13th June 2022)
Key Managerial Personnel	Mr. Sreeram Gopinathan Nair - Managing Director Mr. Sujith K Ravindranath (W.e.f. 16th Jan 2024) Mr. Ajeesh Karekkattil Antony - Chief Financial Officer Mrs. Aneetta Wilson - Company Secretary (Ceased from 30 th April 2022) Mr. Akhil T M - Company Secretary (Ceased from 25th November 2023) Mrs. Anu Jaya - Company Secretary (Ceased from 10th October 2022)
Relatives of Directors and KMPs	Mr. Anoop Jolly (Husband of Mrs. Jitha Chummar)

Related Party transactions during the year:

Particulars	Holding Company		Non- Executive Directors (Including Independent Directors)		Key Managerial Personnel		Relatives of Directors and Key Managerial Personnel	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
	(In lakhs)	(In lakhs)	(In lakhs)	(In lakhs)	(In lakhs)	(In lakhs)	(In lakhs)	(In lakhs)
Transactions during the year								
Rent Paid	-	-	-	-	-	-	1.80	1.80
Mr. Anoop Jolly	-	-	-	-	-	-	1.80	1.80
Remuneration to KMPs	-	-	-	-	12.71	12.46	-	-
Mr. Sreeram Gopinathan Nair	-	-	-	-	0.55	0.60	-	-
Mr. Ajeesh K A	-	-	-	-	6.10	5.21	-	-
Mr. Sujith K Ravindranath	-	-	-	-	1.26	-	-	-
Mrs. Aneetta Wilson	-	-	-	-	-	0.90	-	-
Mr. Mohandas Thandassery Akhil	-	-	-	-	4.80	3.56	-	-
Mrs. Anu Jaya	-	-	-	-	-	2.59	-	-
Sitting Fee to Directors:	-	-	0.97	1.36	-	-	-	-
Mr. Sreeram Gopinathan Nair	-	-	0.10	0.14	-	-	-	-
Mr. T B Ramakrishnan	-	-	0.03	0.12	-	-	-	-
Mr. Anil Menon	-	-	0.10	0.12	-	-	-	-
Mrs. Jitha Chummar	-	-	0.08	0.10	-	-	-	-
Mr. Rajesh Narayan Pillai	-	-	0.10	0.14	-	-	-	-
Mr. Vinod Manazhy	-	-	0.10	0.14	-	-	-	-
Mr. Habeeb Rahiman	-	-	0.02	0.13	-	-	-	-
Mr. Abraham George	-	-	0.08	0.14	-	-	-	-
Mr. Unnikrishnan Anchery	-	-	0.08	0.14	-	-	-	-
Mr. Anu Tcheriyam	-	-	0.10	0.09	-	-	-	-
Mr. Paul K K	-	-	0.08	0.01	-	-	-	-
Mr. Thomas Jacob	-	-	0.10	0.09	-	-	-	-
Loan given	-	75.00	-	5.00	-	-	38.00	-
BKP COMMERCIAL INDIA PRIVATE LIMITED	-	-	-	-	-	-	38.00	-
Sharewealth Securities Limited	-	75.00	-	-	-	-	-	-
Mr. T B Ramakrishnan	-	-	-	5.00	-	-	-	-
Interest Income from Loan given	-	1.47	0.16	0.84	-	-	2.00	-
BKP COMMERCIAL INDIA PRIVATE LIMITED	-	-	-	-	-	-	2.00	-
Sharewealth Securities Limited	-	1.47	-	-	-	-	-	-
Mr. T B Ramakrishnan	-	-	0.16	0.84	-	-	-	-
Repayment of Loan given	-	75.00	4.07	0.93	-	-	15.15	-
Sharewealth Securities Limited	-	75.00	-	-	-	-	-	-
BKP COMMERCIAL INDIA PRIVATE LIMITED	-	-	-	-	-	-	15.15	-
Mr. Thandassery Ramakrishnan	-	-	4.07	0.93	-	-	-	-
ICD Availed	-	25.00	-	-	-	-	-	-
Sharewealth Chits Limited	-	25.00	-	-	-	-	-	-
Interest paid on ICD Availed	3.00	0.93	-	-	-	-	-	-
Sharewealth Chits Limited	3.00	0.93	-	-	-	-	-	-
Interest Paid on Sub Debts	2.00	2.00	-	-	-	-	-	-
Sharewealth Securities Limited	0.53	0.53	-	-	-	-	-	-
Sharewealth Chits Limited	1.47	1.47	-	-	-	-	-	-
Sale of Foreign Currency	-	-	1.79	0.92	-	-	-	-
Mr. Ramanathan Anchery	-	-	-	0.17	-	-	-	-
Mr. Sreeram Gopinathan Nair	-	-	1.59	-	-	-	-	-
Mrs. Jitha Chummar	-	-	0.33	0.75	-	-	-	-
Amount paid on Purchase of Liquid	-	85.00	-	-	-	-	-	-
Sharewealth Securities Limited	-	85.00	-	-	-	-	-	-
Amount received on Sale of Liquid	-	117.51	-	-	-	-	-	-
Sharewealth Securities Limited	-	117.51	-	-	-	-	-	-

Note:

a) Related parties have been identified on the basis of the declaration received by the management and other records available.
b) Loans given to related parties are repayable on demand.

c) The remuneration to the key managerial personnel does not include the provisions made for gratuity.

d) * Company holds demat account with Sharewealth Securities Limited (holding company). Transactions with Sharewealth Securities Limited relating to sale & purchase of liquid fund documents the transactions entered in the demat statement of the holding company.

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 40: Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

Particulars	31 March 2024			31 March 2023		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	61.12	-	61.12	45.65	-	45.65
Loans	776.48	133.29	909.77	418.12	92.16	510.28
Investments	-	0.66	0.66	-	0.03	0.03
Other financial assets	-	8.45	8.45	-	11.68	11.68
Non-financial Assets						
Current tax assets (net)	-	2.03	2.03	-	0.68	0.68
Deferred tax assets (net)	-	6.76	6.76	-	6.76	6.76
Property, plant and equipment	-	13.79	13.79	-	9.36	9.36
Other intangible assets	-	5.61	5.61	-	5.85	5.85
Other non-financial assets	-	11.13	11.13	-	8.29	8.29
Total assets	837.59	181.73	1,019.32	463.77	134.80	598.57
Liabilities						
Financial Liabilities						
Payables	9.75	-	9.75	7.24	-	7.24
Debt securities	61.67	368.70	430.36	-	108.10	108.10
Borrowings (other than debt securi	-	25.14	25.14	-	25.17	25.17
Subordinated Liabilities	-	98.06	98.06	-	97.87	97.87
Gold Repldge Account	126.16	-	126.16	-	-	-
Other Financial liabilities	24.56	-	24.56	25.32	-	25.32
Non-financial Liabilities						
Provisions	5.82	-	5.82	4.30	-	4.30
Other non-financial liabilities	3.51	-	3.51	1.17	-	1.17
Total Liabilities	231.47	491.89	723.36	38.03	231.14	269.17
Net	606.12	(310.16)	295.96	425.74	(96.34)	329.41

Note 41: Contingent liabilities, commitments and leasing arrangements
Note 41 (i): Contingent Liabilities

The Company is not exposed to any contingent liabilities during the current and previous year.

Note 41 (ii): Commitments

The Company does not have any irrevocable commitments as at 31st March 2023 and 31st March 2022.

Note 41 (iii): Lease Disclosures (entity as a lessee)

The Company has not recognised ROU asset and lease liability for all lease contracts since, all such leases are either low value leases or short term leases (lease term of twelve months or less).

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 42: Fair Value Measurement
42.1 Valuation principles

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using a valuation technique. In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques.

42.2 Valuation governance

The Company's process to determine fair values is part of its periodic financial close process. The Audit Committee exercises the overall supervision over the methodology and models to determine the fair value as part of its overall monitoring of financial close process and controls. The responsibility of ongoing measurement resides with business units. Once submitted, fair value estimates are also reviewed and challenged by the Risk and Finance functions.

42.3 Assets and liabilities by fair value hierarchy

The following table shows an analysis of financial instruments recorded at fair value by level of the fair value hierarchy:

Particulars	31 March 2024				31 March 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value on a recurring basis								
<i>Financial instrument held for trading</i>								
Equity Shares	0.03	-	0.63	0.66	0.03	-	-	0.03
Mutual Funds	-	-	-	-	-	-	-	-
Total financial instrument held for trading	0.03	-	0.63	0.66	0.03	-	-	0.03

42.4 Valuation techniques
Equity instruments

The majority of equity instruments are actively traded on public stock exchanges with readily available active prices on a regular basis. Such instruments are classified as Level 1. Units held in funds are measured based on their published net asset value (NAV), taking into account redemption and/or other restrictions. Such instruments are generally Level 2. Equity instruments in non-listed entities included investment in private equity funds are initially recognised at transaction price and re-measured (to the extent information is available) and valued on a case-by-case and classified as Level 3.

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Group's financial statements. These fair values were calculated for disclosure purposes only.

Short-term financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, balances other than cash and cash equivalents, trade payables and other financial liabilities without a specific maturity. Such amounts have been classified as Level 2 on the basis that no adjustments have been made to the balances in the balance sheet.

Loans and advances to customers

The fair values of loans and receivables are estimated by discounted cash flow models that incorporate assumptions for credit risks, foreign exchange risk, probability of default and loss given default estimates.

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 43: Risk Management

Risk is an integral part of the Company's business and sound risk management is critical to the success. As a financial intermediary, the Company is exposed to risks that are particular to its lending and the environment within which it operates and primarily includes credit, liquidity and market risks. The Company has a risk management policy which covers risk associated with the financial assets and liabilities. The Board of Directors of the company are responsible for the overall risk management approach, approving risk management strategies and principles. The company have a risk management policy which covers all the risk associated with its assets and liabilities.

The Company has implemented comprehensive policies and procedures to assess, monitor and manage risk throughout the Company. The risk management process is continuously reviewed, improved and adapted in the changing risk scenario and the agility of the risk management process is monitored and reviewed for its appropriateness in the changing risk landscape. The process of continuous evaluation of risks includes taking stock of the risk landscape on an event-driven basis.

The Company has an elaborate process for risk management. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Credit Risk

Credit risk is the risk that a customer or counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's main income generating activity is lending to customers and therefore credit risk is a principal risk. Credit risk mainly arises from loans and advances.

The credit risk management policy of the Company seeks to have following controls and key metrics that allows credit risks to be identified, assessed, monitored and reported in a timely and efficient manner in compliance with regulatory requirements.

- Standardize the process of identifying new risks and designing appropriate controls for these risks
- Maintain an appropriate credit administration and loan review system
- Establish metrics for portfolio monitoring
- Minimize losses due to defaults or untimely payments by borrowers
- Design appropriate credit risk mitigation techniques

In order to mitigate the impact of credit risk in the future profitability, the company makes reserves basis the expected credit loss (ECL) model for the outstanding loans as balance sheet date.

The below discussion describes the Company's approach for assessing impairment as stated in the significant accounting policies.

The Company considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 180 days past due on its contractual payments.

As a part of a qualitative assessment of whether a customer is in default, the Company also considers a variety of instances that may indicate unlikeliness to pay. When such events occur, the Company carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate.

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Exposure at Default (EAD)

The outstanding balance at the reporting date is considered as EAD by the Company. Considering that the PD determined above factors in amount at default, there is no separate requirement to estimate EAD.

The Company don't have historical information and hence uses the PD default rates stated by external reporting agencies. Considering the different products and schemes, the Company has bifurcated its loan portfolio into various pools.

Based on its review of macro-economic developments and economic outlook, the PD percentages are mentioned below:

Pools	Stage I	Stage II	Stage III
1) Gold Loan	0.69%	0.79%	0.69%
2) Vehicle Loan	3.52%	3.52%	3.52%
3) Business Loan	5.20%	5.20%	5.20%
4) Personal Loan	3.16%	3.16%	3.16%
5)Term Loan	0.00%	0.00%	0.00%

Loss Given Default

The Company determines its recovery rates by analysing the recovery trends over different periods of time after a loan has defaulted. Based on its analysis of historical trends, the Company has assessed that significant recoveries happen in the year in which default has occurred.

1) Gold Loan	40.00%
2) Vehicle Loan	55.00%
3) Business Loan	50.00%
4) Personal Loan	45.00%
5)Term Loan	40.00%

In all classified 'Loss Assets', LGD has been considered as 100%.

LGD Rates have been considered based on proxy FIRB rates for all loans.

The Company has applied management overlays to the ECL Model to consider the impact of the Covid-19 pandemic on the provision. The adjustment to the probability of default has been assessed considering the likelihood of increased credit risk and consequential default due to the pandemic.

The provision computed under ECL is lower when compared with the provision prescribed as per RBI norms taking into account the time lag between an account becoming non-performing, its recognition as such, the realisation of the security and the erosion over time in the value of security charged, make provision against sub-standard assets, doubtful assets and loss assets as provided by RBI norms. Hence provisioning is considered as per RBI guidelines.

The entity shall after taking into account the degree of well defined credit weaknesses and extent of dependence on collateral security for realisation, classify its lease/hire purchase assets, loans and advances and any other forms of credit into the following classes namely, standard, substandard, doubtful assets and Loss assets.

For Loss assets, the entire asset shall be written off. If the assets are permitted to remain in the books for any reason, 100% of the outstandings is provided.

The company has decided to write off the unrecovered Nonperforming Assets worth Rs. 14.27 Lakhs and group under other expenses to give a true and fair view of the accounts.

And for Doubtful assets, 100% provision to be created to the extent to which the advance is not covered by the realisable value of the security to which the entity has a valid recourse shall be made. The realisable value is estimated on a realistic basis.

Period for which the asset has and the percentage of provision to be created are as followed:

Sub standard Asset	10.00%
Doubtful	
-upto 1 year	20.00%
-one to three year	30.00%
-more than three year	50.00%
Loss Asset	100.00%

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Asset & Liability management

Asset and Liability Management (ALM) is defined as the practice of managing risks arising due to mismatches in the asset and liabilities. Company's funding consist long term source with different maturity patterns and varying interest rates. On the other hand, the asset book also comprises of loans of different duration and interest rates. Maturity mismatches are therefore common and has an impact on the liquidity and profitability of the company. It is necessary for Company's to monitor and manage the assets and liabilities in such a manner to minimize mismatches and keep them within reasonable limits.

The objective of this policy is to create an institutional mechanism to compute and monitor periodically the maturity pattern of the various liabilities and assets of Company to (a) ascertain in percentage terms the nature and extent of mismatch in different maturity buckets, especially the 1-30/31days bucket, which would indicate the structural liquidity (b) the extent and nature of cumulative mismatch in different buckets indicative of short term dynamic liquidity and (c) the residual maturity pattern of repricing of assets and liabilities which would show the likely impact of movement of interest rate in either direction on profitability. This policy will guide the ALM system in Company.

The scope of ALM function can be described as follows:

- Liquidity risk management
- Management of market risks
- Others

Liquidity Risk

Liquidity risk refers to the risk that the Company may not meet its financial obligations. Liquidity risk arises due to the unavailability of adequate funds at an appropriate cost or tenure. The objective of liquidity risk management, is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company consistently generates sufficient cash flows from operating and financial activities to meet its financial obligations as and when they fall due. Our resource mobilisation team sources funds from multiple sources. The resource mobilisation team is responsible for diversifying fund raising sources, managing interest rate risks and maintaining a strong relationship with banks, financial institutions, mutual funds, insurance companies, other domestic and foreign financial institutions and rating agencies to ensure the liquidity risk is well addressed.

The table below provide details regarding the contractual maturities of significant financial assets and liabilities as on:-

Maturity pattern of assets and liabilities as on 31 March 2024:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total*
Debt securities	-	-	22.56	39.10	-	132.27715	236.41943	0	430.36
Borrowings (other than debt securities)	-	-	-	-	-	-	25.14	-	25.14
Subordinated Liabilities	-	-	-	-	-	95.11	2.94	-	98.06
Gold Repledge Account	24.98	10.74	22.95	67.50	-	-	-	-	126.16
Loans	121.23	52.71	77.89	341.31	183.33	121.59	11.71	-	909.77
Investments	-	-	-	-	-	-	-	-	-

Maturity pattern of assets and liabilities as on 31 March 2023:

Particulars	Upto 1 month	1 to 2 months	2 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	3 to 5 years	Over 5 years	Total*
Debt securities	-	-	-	-	-	22.56	73.19	12.35	108.10
Borrowings (other than debt securities)	-	-	-	-	-	-	25.17	-	25.17
Subordinated Liabilities	-	-	-	-	-	78.75	19.12	-	97.87
Gold Repledge Account	-	-	-	-	-	-	-	-	-
Loans	40.71	11.63	30.35	249.01	86.41	91.44	0.72	-	510.28
Investments	-	-	-	-	-	-	-	-	-

*Amount represents net balance after the adjustments on account of Indian Accounting Standards

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Market Risk

Market Risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market factor. Such changes in the values of financial instruments may result from changes in the interest rates, credit, liquidity, and other market changes. The Company is exposed to two types of market risk as follows:

Interest Rate Risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

We are not subject to interest rate risk, because we lend to clients at fixed interest rates and for periods that may differ from our funding sources and our borrowings i.e. subordinated debts are at fixed interest rate for different periods.

Price Risk

The Company's exposure to price risk is not material.

Operational and business risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

S.I. Capital & Financial Services Limited

Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 44: Appendix based on RBI notification dated March 13, 2020 on Implementation of Indian Accounting Standards

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Provisions required as per IRACP norms	Net Carrying Amount	Loss Allowances (Provisions) as required under Ind AS 109	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	795.85	19.79	776.06	3.11	16.68
	Stage 2	95.95	3.82	92.13	0.35	3.47
Subtotal		891.80	23.61	868.19	3.46	20.15
Non-Performing Assets (NPA)						
Substandard	Stage 3	47.28	2.01	45.27	4.73	45.27
Doubtful upto 1 year	Stage 3	0.63	0.03	0.60	0.12	(0.09)
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		0.63	0.03	0.60	0.12	(0.09)
Loss	Stage 3	-	-	-	-	-
Subtotal for Loss		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
	Stage 1	795.85	19.79	776.06	3.11	16.68
	Stage 2	95.95	3.82	92.13	0.35	3.47
	Stage 3	47.91	2.04	45.87	4.85	45.18
Total	Total	939.71	25.65	914.06	8.31	65.33

S.I. Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024
(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 45: Schedule to the Balance Sheet of a Non-Banking Financial Company (As required in terms of Paragraph 19 of Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016

Particulars		Amount Outstanding	Amount overdue
Liabilities side			
1	Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid		
a	Debentures: Secured & Unsecured (other than falling within the meaning of public deposit*)	430.36	Nil
b	Deferred Credits	Nil	Nil
c	Term Loans	126.16	Nil
d	Inter-corporate loans and borrowing	25.14	Nil
e	Commercial Paper	Nil	Nil
f	Public Deposits*	Nil	Nil
g	Other Loans (specify nature)	Nil	Nil
	*Please see Note 1 below		
2	Break-up of (1)(f) above (Outstanding Public Deposits inclusive of interest accrued thereon but not paid)		
a	In the form of Unsecured Debentures	Nil	Nil
b	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
c	Other Public Deposits	Nil	Nil
	*Please see Note 1 below		
Assets side		Amount outstanding	
3	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
a	Secured	497.82	
b	Unsecured	437.60	
4	Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities		
i	Lease assets including lease rentals under sundry debtors: Financial Lease and Operating		Nil
ii	Stock on hire including hire charges under sundry debtors: Assets on hire & Repossessed Assets		Nil
iii	Other loans counting towards asset financing activities		
	Loans where assets have been possessed and Loans other than (a) above		Nil
5	Break-up of Investments		
	Current Investments		
1	Quoted		
	Shares		
	a) Equity		0.03
	b) Preference		Nil
	Debentures and Bonds		Nil
	Units of mutual funds		Nil
	Government Securities		Nil
	Others (please specify)		Nil
2	Unquoted		
	Shares		
	a) Equity		0.63
	b) Preference		Nil

	Debtures and Bonds			Nil
	Units of mutual funds			Nil
	Government Securities			Nil
	Others (please specify)			Nil
	Long Term Investments			
1	Quoted			
	Shares			
	a) Equity			Nil
	b) Preference			Nil
	Debtures and Bonds			Nil
	Units of mutual funds			Nil
	Government Securities			Nil
	Others (please specify)			Nil
2	Unquoted			
	Shares			
	a) Equity			Nil
	b) Preference			Nil
	Debtures and Bonds			Nil
	Units of mutual funds			Nil
	Government Securities			Nil
	Others (please specify)			Nil
6	Borrower group-wise classification of assets financial as in (3) and (4) above: Please see Note 2 below			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
1	Related Parties	Nil	Nil	Nil
	Subsidiaries	Nil	Nil	Nil
	Companies in the same group	Nil	Nil	Nil
	Other related parties	Nil	Nil	Nil
2	Other than related parties	497.82	437.60	935.42
	Less: Impairment loss allowance			25.65
	Amount net of provisions			909.77
	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Please see note 3 below			
	Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)
1	Related Parties**	Nil		Nil
	Subsidiaries	Nil		Nil
	Companies in the same group	Nil		Nil
	Other related parties	Nil		Nil
2	Other than related parties			
	a) Shares	Nil		Nil
	b) Mutual Fund	0.00		0.00
	Total	0.00		0.00
	**As per Accounting Standards of ICAI (Please see Note 3)			
8	Other Information			
	Particulars	Amount		
i	Gross Non Performing Asset			
	Related Parties	Nil		
	Other than related parties	47.91		
ii	Net Non Performing Assets			
	Related Parties	Nil		
	Other than related parties	45.87		
iii	Assets acquired in satisfaction of debt	Nil		
	Notes:			
1	As defined in point xxv of paragraph 3 of Chapter - II of these Directions			
2	Provisioning norms shall be applicable as prescribed in these Directions			
3	All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.			

SI Capital & Financial Services Limited
Notes to Standalone Financial Statements for the year ended 31st March 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Note 46: Segment Reporting:

The Principal business of the company is financing long and medium term loans and dealing in foreign currency. Though the company has earned income from other sources in the form of dividend on investments, interest and profit on redemption of mutual funds, the percentage of other business income does not exceed 10% of the gross turnover of the principal business, and as such no segment reporting has been made.

Note 47: Earnings in Foreign Exchange	31-Mar-24	31-Mar-23
Export of Goods calculated on FOB Basis	Nil	Nil

Note 48: Expenditure in foreign currency	31-Mar-24	31-Mar-23
Expenditure incurred by the Company in foreign currency	Nil	Nil

Note 49: Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

Note 50: Previous year figures

Previous year figures have been regrouped/reclassified, where necessary, to conform current year's classification.

Note 51: Compliance related to disclosure of certain ratios

a) Capital to risk-weighted assets ratio (CRAR)(note i)	34.99
b) Tier I CRAR	30.02
c) Tier II CRAR	4.97
d) Liquidity Coverage Ratio(note ii)	2.12

Notes:

i) Capital to risk-weighted assets ratio, TIER I and TIER II has been computed on a standalone basis as per relevant RBI guidelines.

ii) Liquidity Coverage Ratio(Highly Liquid Asset Amount(HQLA)/Total Net Cashflow)

For Ayyar & Cherian
Chartered Accountants
FRN:0002845

For and on behalf of the Board of Directors

Dijo Philip Mathew
Partner
Membership No.224930
UDIN:23224930BGTNWJ4040

Sreeram Gopinathan Nair
Managing Director
DIN: 05143385

T. B. Ramakrishnan
Director
DIN: 01601072

Sujith K Ravindranath
Company Secretary
Membership No.:A39757

Ajeesh K.A
Chief Financial Officer

Place: Ernakulam
Date: 28-05-2024

Place: Thrissur
Date: 28-05-2024