

Date: May 25, 2024

To,
Corporate Relations Department,
Bombay Stock Exchange,
PJ Towers, Dalal Street,
Mumbai – 400001,
Maharashtra, India.

Subject: (i) Outcome of board meeting and submission of audited financial results,
(ii) Intimation of recommendation of final dividend,
(iii) Intimation of expiry of terms of independent directors and reconstitution of various board committees, and
(iv) Intimation of re-appointment of secretarial auditors

Reference: BSE scrip code: 535566

Meeting commencement time: 2:00 pm

Meeting conclusion time: 3:35 pm

Dear Sir,

With reference to the above captioned subject, we would like to inform you that at the board meeting held today (Saturday, May 25, 2024), the board has inter-alia, considered, approved and taken on record the audited financial results of the company for the quarter and financial year ended on March 31, 2024 and has also recommended a final dividend of Rs. 1.40 (i.e. 14.00%) per equity share of Rs. 10/- (rupees ten only) each for the financial year ended on March 31, 2024. Payment of the same is subject to approval of shareholders in their ensuing annual general meeting.

Accordingly, we are attaching herewith copy of approved audited financial results along with the audit report issued by the statutory auditors of the company for the quarter and financial year ended on March 31, 2024 and the company hereby further confirms that audit report issued by the statutory auditors of the company is with unmodified opinion and a declaration signed by the company secretary of the company in this regard is also attached herewith.

Further, the second consecutive term of two of the independent directors namely Mr. Devang M. Shah (DIN: 01788760) and Mr. Dharmendra N. Soni (DIN: 01659489) are expiring on May 26, 2024 and accordingly they shall cease to be directors of the company and members of the various committees. A separate public announcement in this respect shall be made by the company. Considering such vacancy of offices due to expiry of terms of independent directors, the board of directors has at its meeting held on May 25, 2024, reconstituted various committees (effective from May 27, 2024) details on which are provided in **Annexure – 2** to this letter.

The board of directors has also re-appointed M/s. Anamika Jajoo & Co., Practicing Company Secretary, Ahmedabad as secretarial auditor of the company for the financial year 2024-25. Details required in this respect are attached with this letter as **Annexure – 3**.

Kindly take the same on your records.

Thanking you,

For **KIFS Financial Services Limited**


Durgesh D. Soni

(Company Secretary & Compliance Officer – ACS: 38670)



Encl.: Audited financial results, audit report and declaration of unmodified opinion as **Annexure – 1**
Details about reconstitution of committees – **Annexure – 2**
Details related to appointment of secretarial auditor – **Annexure – 3**

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED ON MARCH 31, 2024

(₹ in lacs except per share data)

Sr. no.	Particulars	Quarter ended			Financial year ended	
		31-Mar-24	31-Dec-23	31-Mar-23	31-Mar-24	31-Mar-23
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations					
	Interest income	1,699.02	1,363.02	930.16	4,663.86	3,072.01
	Fees and commission income	-	-	-	-	-
2	Other income	1.23	-	2.94	1.23	2.94
3	Total revenue (1+2)	1,700.25	1,363.02	933.10	4,665.09	3,074.95
4	Expenses					
	(a) Cost of materials consumed	-	-	-	-	-
	(b) Purchases of stock-in-trade	-	-	-	-	-
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	-
	(d) Employee benefit expenses	10.73	14.34	10.38	47.66	44.06
	(e) Finance costs	1,241.46	1,141.43	524.89	3,518.43	2,075.57
	(f) Depreciation and amortisation expense	24.93	8.65	12.57	50.88	50.31
	(g) Fees and commission expense	-	-	-	-	-
	(h) Net loss on fair value changes	-	-	-	-	-
	(i) Net loss on derecognition of financial instruments under amortised cost category	-	-	-	-	-
	(j) Impairment on financial instruments	-	-	-	-	-
	(k) Other expenses					
	(l) Legal & professional fees	0.96	1.74	1.11	3.33	2.86
	(ii) Annual subscription	0.09	-	-	1.34	1.08
	(iii) Listing fee	-	-	-	3.00	3.00
	(iv) Provisions & write-offs	(15.06)	-	5.17	(15.06)	5.17
	(v) Travelling expenses	-	-	-	-	-
	(vi) Excise duty (refer note 6)	-	-	-	-	-
	(vii) Advertisement expenses	1.05	0.05	0.06	1.41	0.40
	(viii) Other expenses	73.91	2.89	28.37	80.28	33.39
	Total other expenses	60.95	4.68	34.71	74.30	45.90
	Total expenses	1,338.07	1,169.10	582.55	3,691.27	2,215.84
5	Profit before exceptional items and tax (3-4)	362.18	193.92	350.55	973.82	859.11
6	Exceptional items	-	-	-	-	-
7	Profit before tax (5-6)	362.18	193.92	350.55	973.82	859.11
8	Tax expenses					
	(i) Current tax	112.06	48.81	97.32	266.00	225.32
	(ii) Deferred tax	(1.61)	(0.73)	(1.45)	(3.80)	(5.83)
	Total tax expenses	110.45	48.08	95.87	262.20	219.49
9	Net profit / (loss) for the period from continuing operations (7-8)	251.73	145.84	254.68	711.62	639.62
10	Profit / (loss) from discontinuing operations before tax	-	-	-	-	-
11	Tax expenses of discontinuing operations	-	-	-	-	-
12	Net profit / (loss) from discontinuing operations after tax (10-11)	-	-	-	-	-
13	Net profit / (loss) for the period (9+12)	251.73	145.84	254.68	711.62	639.62
14	Other comprehensive income (OCI)	-	-	-	-	-
15	Total comprehensive income after tax (13+14)	251.73	145.84	254.68	711.62	639.62
16	Paid up equity share capital (face value of ₹ 10/- each)	1,081.80	1,081.80	1,081.80	1,081.80	1,081.80
17	Other equity / reserves excluding revaluation reserve				3,964.37	3,398.80
18	Earnings per share (before and after extra ordinary items) of ₹ 10/- per share (not annualized)					
	Basic (₹)	2.33	1.35	2.35	6.58	5.91
	Diluted (₹)	2.33	1.35	2.35	6.58	5.91



STATEMENT OF ASSETS AND LIABILITIES

(₹ in lacs)

Sr. no.	Particulars	As at	As at
		31-Mar-24 (Audited)	31-Mar-23 (Audited)
	ASSETS		
1	Financial asset		
	Cash and cash equivalents	0.46	0.42
	Bank balance other than above	1,275.17	(447.68)
	Derivative financial instruments	-	-
	Receivables	-	-
	(i) Trade receivables	-	-
	(ii) Other receivables	-	-
	Loans	25,367.05	31,390.96
	Investments	2,969.52	-
	Other financial assets	3.76	3.12
	Total financial assets	29,615.96	30,946.82
2	Non-financial asset		
	Inventories	-	-
	Current tax assets (net)	392.67	440.35
	Deferred tax assets (net)	14.56	10.77
	Investment property	-	-
	Biological assets other than bearer plants	-	-
	Property, plant and equipment	149.22	110.93
	Capital work-in-progress	-	-
	Intangible assets under development	-	-
	Goodwill	-	-
	Other intangible assets	0.03	0.03
	Other non-financial assets (to be specified)	-	-
	(i) Advances to employees	11.82	15.66
	(ii) Prepaid expenses	0.06	2.70
	Total non-financial assets	568.36	580.44
	TOTAL ASSETS	30,184.32	31,527.26
	EQUITY & LIABILITIES		
1	Equity		
	Equity share capital	1,081.80	1,081.80
	Other equity	3,964.37	3,398.80
	Total equity	5,046.17	4,480.60
2	Liabilities		
2.1	Financial liabilities		
	Derivative financial instruments	-	-
	Payables		
	(I) Trade payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	0.95	1.63
	(II) 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	-	-
	Debt securities	-	-
	Borrowings (other than debt securities)	24,493.50	26,448.63
	Deposits	-	-
	Subordinated liabilities	-	-
	Other financial liabilities	3.43	4.76
	Total financial liabilities	24,497.88	26,455.02
2.2	Non-financial liabilities		
	Current tax liabilities (net)	-	-
	Provisions	329.42	436.55
	Deferred tax liabilities (net)	-	-
	Other non-financial liabilities	310.85	155.09
	Total non-financial liabilities	640.27	591.64
	Total liabilities	25,138.15	27,046.66
	TOTAL EQUITY & LIABILITIES	30,184.32	31,527.26



CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED

Sr. no.	Particulars	(₹ in lacs)	
		As at 31-Mar-24 (Audited)	As at 31-Mar-23 (Audited)
A.	Cash flow from the operating activities		
	Net profit before tax	973.82	859.11
	Add: adjustments for:		
	Depreciation and amortization	50.88	50.31
	Profit on sale on asset	-	-
	Operating profit before working capital changes	1,024.70	909.42
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loans and advances	6,023.91	(2,651.54)
	Other financial and non-financial assets	53.51	170.15
	Adjustments for (increase) / decrease in operating liabilities:		
	Proceeds from borrowings	(1,955.13)	1,140.48
	Other financial and non-financial liabilities	153.75	(32.23)
	Provisions	(107.13)	(109.61)
	Total change in working capital	4,168.91	(1,482.75)
	Cash generated from / (used in) operations	5,193.61	(573.33)
	Income tax paid (net)	266.00	225.32
	Cash flow from / (used in) operating activities (A)	4,927.61	(798.65)
B.	Cash flow from investing activities		
	Inflows (sale of fixed asset)	-	-
	Out flows (purchase of investment)	(2,969.53)	-
	Out flows (purchase of fixed asset)	(89.16)	-
	Cash flow (used in) investing activities (B)	(3,058.69)	-
C.	Cash flow from financing activities		
	Dividends paid including dividend distribution tax	(146.04)	(146.04)
	Cash flow from / (used in) financing activities (C)	(146.04)	(146.04)
	Net decrease / increase in cash & cash equivalents (A+B+C)	1,722.88	(944.69)
	Cash and cash equivalents at the beginning of the year	(447.25)	497.44
	Cash & cash equivalents (closing balance)	1,275.63	(447.25)

Notes:

- The company is engaged in a single segment of finance and therefore there are no separate reportable segments as per the accounting standard 17 i.e. "segment reporting".
- The above audited financial results have been reviewed and recommended by the audit committee and approved and taken on record by the board of directors in their meetings held on Saturday, May 25, 2024.
- The managing director and chief financial officer certificate in respect of the above results in terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the board of directors.
- The figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
- The figures of the last quarter are the balancing figures between audited figures in respect of full financial year ended on March 31, 2024 and the published year to date figures upto third quarter of the current financial year.
- The company does not have any exceptional or extra-ordinary item to report for the above periods and the company being an NBFC, excise duty related provisions are not applicable to it.
- The board has recommended a final dividend of ₹ 1.40 (i.e. 14.00%) per equity share of ₹ 10/- (rupees ten only) each for the financial year ended on March 31, 2024. Payment of the same is subject to the approval of shareholders in their ensuing annual general meeting.
- The second consecutive term of two of the independent directors namely Mr. Devang M. Shah (DIN: 01788760) and Mr. Dharmendra N. Soni (DIN: 01659489) are expiring on May 26, 2024 and accordingly they shall cease to be directors of the company and members of the various committees. Considering such vacancy of offices due to expiry of terms of independent directors, the board of directors has at its meeting held on May 25, 2024, reconstituted various committees (effective from May 27, 2024).

On behalf of board of directors,
For KIFS Financial Services Limited

Devang M. Shah
(Director)
(DIN: 01788760)



Ahmedabad, May 25, 2024



BIMAL SHAH ASSOCIATES
CHARTERED ACCOUNTANTS

412, 4th Floor, Ashwamegh Avenue,
Mayur Colony, Nr. Mithakhali Circle,
Navrangpura, Ahmedabad - 380 009.
Ph.: (0) 079-2640 8930, 2642 1975
M.: 98250 35884
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**INDEPENDENT AUDITOR'S REPORT
ON QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE RESULTS OF THE COMPANY
PURSUANT TO THE REGULATION 33 OF
THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

To,
The Board of Directors,
KIFS Financial Services Limited,
4th Floor, KIFS Corporate House (Khandwala House),
Nr. Land Mark Hotel, Nr. Neptune House,
Iskon-Ambli Road, Bodakdev, Ahmedabad – 380054, Gujarat, India.

Report on the audit of the standalone financial results

Opinion

We have audited the accompanying standalone quarterly financial results of KIFS Financial Services Limited (the company) for the quarter ended on March 31, 2024 and the year to date results for the period from April 1, 2023 to March 31, 2024, attached herewith, being submitted by the company pursuant to the requirement of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("listing regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of regulation 33 of the listing regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI guidelines") and other accounting principles generally accepted in India of the net profit / loss and other comprehensive income and other financial information for the quarter ended on March 31, 2024 as well as the year to date results for the period from April 1, 2023 to March 31, 2024.

Basis for opinion

We conducted our audit in accordance with the standards on auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the standalone financial results section of our report. We are independent of the company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results 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.



Management's responsibilities for the standalone financial results

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. The company's board of directors are responsible for the preparation of these financial results that give a true and fair view of the net profit / loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian accounting standard 34, 'interim financial reporting' prescribed under section 133 of the Act read with relevant rules issued thereunder, RBI guidelines and other accounting principles generally accepted in India and in compliance with regulation 33 of the listing regulations. 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the board of directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The board of directors are also responsible for overseeing the company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial results

Our objectives are to obtain reasonable assurance about whether the standalone financial results 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 results.

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



- identify and assess the risks of material misstatement of the standalone financial results, 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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



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

Other matter

The standalone financial results includes the results for the quarter ended on March 31, 2024 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the current financial year.

Our opinion on the standalone financial results is not modified in respect of above matters.

For M/s. Bimal Shah Associates,
Chartered accountants
Firm registration no.: 101505W



Bimal Arvindbhai Shah
(Proprietor)
Membership no.: 042372



Ahmedabad, May 25, 2024
UDIN: 24042372BKHGVH1316

Date: May 25, 2024

To,
Corporate Relations Department,
Bombay Stock Exchange,
PJ Towers, Dalal Street,
Mumbai – 400001,
Maharashtra, India.

Subject: Declaration with respect to audit report with unmodified opinion
Reference: SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
Scrip code: 535566

Dear Sir,

We hereby confirm and declare that the statutory auditors of the company i.e. M/s. Bimal Shah Associates, chartered accountants, Ahmedabad have issued their audit report on financial statements of the company for the quarter and financial year ended on March 31, 2024 with unmodified opinion.

This declaration is being issued in consonance with the provisions of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Kindly take the same on your records.

Thanking you,

For KIFS Financial Services Limited



Durgesh D. Soni
(Company Secretary & Compliance Officer – ACS: 38670)

Annexure – 2

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, below are the details of re-constitution of various committees at the meeting of board of directors of the company on May 25, 2024 (effective from May 27, 2024):

Revised composition of committees of board of directors

Name of the committee	Name of the committee member	Designation in committee	Designation in company
Audit committee	Mr. Rajesh Gopaldas Parekh	Chairman	Independent director
	Mr. Sharvil Bharat Kumar Suthar	Member	Independent director
	Mr. Rajesh Parmanand Khandwala	Member	Chairman and managing director
Nomination and remuneration committee	Mr. Sharvil Bharat Kumar Suthar	Chairman	Independent director
	Mr. Dixit Dipakkumar Shah	Member	Independent director
	Mrs. Sonal Rajesh Khandwala	Member	Non-executive director
Stakeholders' grievance committee	Mr. Dixit Dipakkumar Shah	Chairman	Independent director
	Mr. Sharvil Bharat Kumar Suthar	Member	Independent director
	Mr. Rajesh Parmanand Khandwala	Member	Chairman and managing director
Risk management committee	Mr. Sharvil Bharat Kumar Suthar	Chairman	Independent director
	Mr. Dixit Dipakkumar Shah	Member	Independent director
	Mr. Vimal Parmanand Khandwala	Member	Executive director
Corporate social responsibility committee	Mr. Rajesh Parmanand Khandwala	Chairman	Chairman and managing director
	Mr. Rajesh Gopaldas Parekh	Member	Independent director
	Mr. Sharvil Bharat Kumar Suthar	Member	Independent director



Annexure – 3

The details required under regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 read with SEBI circular no. SEBI/HO/CFD/CFD-PoD1/P/CIR/2023/123 dated July 13, 2023 are given in below:

Sr. no.	Particulars	Details
1	Reason for change viz. appointment, resignation, removal, death or otherwise	Appointment as secretarial auditor of the company
2	Date of appointment /cessation (as applicable) & term of appointment	Appointed as a secretarial auditor of the company w.e.f. May 25, 2024 to conduct the secretarial audit for the financial year 2024-25
3	Brief profile (in case of appointment)	
	Name of the secretarial auditor	Anamika Jajoo & Co. (Membership No.: A20918, COP No.: 13859)
	Office address	S-506, Venus Parkland, Vejalpur, Ahmedabad – 380051, Gujarat, India
	Email	anamikajajoo@gmail.com
	About secretarial auditor	<p>Anamika Jajoo & Co., a peer reviewed practicing company secretary firm based at Ahmedabad is registered with the Institute of Company Secretaries of India (ICSI), having 10 years of experience & expertise as a practicing professional in handling secretarial and corporate affairs matters for corporate laws, corporate governance issues, due diligence, secretarial audits, SEBI and ROC compliances, company incorporation, scrutinizer report, annual reports for listed and private limited companies and other corporate legal and secretarial services.</p> <p>Anamika Jajoo is founder – proprietor of Anamika Jajoo & Co. She is an associated member and COP holder of the Institute of Company Secretaries of India (ICSI). She has also served as a whole time company secretary of Neesa Leisure Limited, PG Foils Limited and Chartered Logistics Limited. She had started Anamika Jajoo & Co. (PCS firm) in the year 2014 and since then the firm is offering various corporate secretarial and legal services to its clients which includes listed, unlisted and private limited companies. She is also a member of peer review committee of the Institute of Company Secretaries of India and has reviewed more than 10 company secretary firms of Gujarat so far.</p>
4	Disclosure of relationships between directors (in case of appointment of a director)	Nil

