



KIFS FINANCIAL SERVICES LIMITED

Registered and Corporate Office: 4th Floor, KIFS Corporate House (Khandwala House),
Nr. Land Mark Hotel, Nr. Neptune House, Iskon-Ambli Road, Bodakdev, Ahmedabad – 380054, Gujarat, India.
CIN: L67990GJ1995PLC025234, **Tel.:** +91 79 69240000 – 09, **NBFC RBI Reg.:** 01.00007
Email: cs@kifs.co.in, **Website:** www.kifsfinance.com

Date: May 30, 2023

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

Subject: Outcome of board meeting, submission of audited financial results and intimation of recommendation of final dividend
Reference: BSE scrip code: 535566
Meeting commencement time: 2:00 pm
Meeting conclusion time: 4:50 pm

Dear Sir,

With reference to the above captioned subject, we would like to inform you that at the board meeting held today (Tuesday, May 30, 2023), 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, 2023 and has also recommended a final dividend of Rs.1.35 (i.e. 13.50%) per equity share of Rs. 10/- (rupees ten only) each for the financial year ended on March 31, 2023. 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, 2023 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.

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**

KIFS FINANCIAL SERVICES LIMITED

Registered and Corporate Office: 4th Floor, KIFS Corporate House (Khandwala House), Nr. Land Mark Hotel, Nr. Neptune House, Iskon-Ambli Road, Bodakdev, Ahmedabad – 380054, Gujarat, India.

CIN: L67990GJ1995PLC025234, Tel.: +91 79 69240000 – 09, NBFC RBI Reg.: 01.00007

Email: cs@kifs.co.in, Website: www.kifsfinance.com

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED ON MARCH 31, 2023

(₹ in lacs except per share data)

Sr. no.	Particulars	Quarter ended			Financial year ended	
		31-Mar-23	31-Dec-22	31-Mar-22	31-Mar-23	31-Mar-22
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1	Revenue from operations					
	Interest income	930.16	727.31	1,058.55	3,072.01	3,271.30
	Fees and commission income	-	-	-	-	-
2	Other income	2.94	-	-	2.94	-
3	Total revenue (1+2)	933.10	727.31	1,058.55	3,074.95	3,271.30
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	10.38	13.11	8.69	44.06	37.13
	(e) Finance costs	524.89	582.83	635.97	2,075.57	2,314.01
	(f) Depreciation and amortisation expense	12.57	12.58	15.39	50.31	37.99
	(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					
	(i) Legal & professional fees	1.11	0.75	0.58	2.86	3.05
	(ii) Annual subscription	-	-	-	1.08	1.23
	(iii) Listing fee	-	-	-	3.00	3.00
	(iv) Provisions & write-offs	5.17	-	32.17	5.17	32.17
	(v) Travelling expenses	-	-	-	-	-
	(vi) Excise duty (refer note 6)	-	-	-	-	-
	(vii) Advertisement expenses	0.06	0.04	0.04	0.40	0.43
	(viii) Other expenses	28.37	0.99	9.61	33.39	20.09
	Total other expenses	34.71	1.78	42.40	45.90	59.97
	Total expenses	582.55	610.30	702.45	2,215.84	2,449.10
5	Profit before exceptional items and tax (3-4)	350.55	117.01	356.10	859.11	822.20
6	Exceptional items	-	-	-	-	-
7	Profit before tax (5-6)	350.55	117.01	356.10	859.11	822.20
8	Tax expenses					
	(i) Current tax	97.32	29.45	93.79	225.32	211.10
	(ii) Deferred tax	(1.45)	(1.46)	(1.15)	(5.83)	(1.53)
	Total tax expenses	95.87	27.99	92.64	219.49	209.57
9	Net profit / (loss) for the period from continuing operations (7-8)	254.68	89.02	263.46	639.62	612.63
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)	254.68	89.02	263.46	639.62	612.63
14	Other comprehensive income (OCI)	-	-	-	-	-
15	Total comprehensive income after tax (13+14)	254.68	89.02	263.46	639.62	612.63
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	-	-	-	3,398.80	2,905.22
18	Earnings per share (before and after extra ordinary items) of ₹ 10/- per share (not annualized)					
	Basic (₹)	2.35	0.82	2.44	5.91	5.66
	Diluted (₹)	2.35	0.82	2.44	5.91	5.66



STATEMENT OF ASSETS AND LIABILITIES

(₹ in lacs)

Sr. no.	Particulars	As at 31-Mar-23 (Audited)	As at 31-Mar-22 (Audited)
	ASSETS		
1	Financial asset		
	Cash and cash equivalents	0.42	1.11
	Bank balance other than above	(447.68)	496.33
	Derivative financial instruments	-	-
	Receivables		
	(i) Trade receivables	-	-
	(ii) Other receivables	-	-
	Loans	31,390.96	28,739.42
	Investments	-	-
	Other financial assets	3.12	10.57
	Total financial assets	30,946.82	29,247.43
2	Non-financial asset		
	Inventories	-	-
	Current tax assets (net)	440.35	613.66
	Deferred tax assets (net)	10.77	4.93
	Investment property	-	-
	Biological assets other than bearer plants	-	-
	Property, plant and equipment	110.93	161.24
	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	15.66	2.40
	(ii) Prepaid expenses	2.70	5.35
	Total non-financial assets	580.44	787.61
	TOTAL ASSETS	31,527.26	30,035.04
	EQUITY & LIABILITIES		
1	Equity		
	Equity share capital	1,081.80	1,081.80
	Other equity	3,398.80	2,905.22
	Total equity	4,480.60	3,987.02
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	1.63	1.56
	(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)	26,448.63	25,308.16
	Deposits	-	-
	Subordinated liabilities	-	-
	Other financial liabilities	4.76	5.84
	Total financial liabilities	26,455.02	25,315.56
2.2	Non-financial liabilities		
	Current tax liabilities (net)	-	-
	Provisions	436.55	546.15
	Deferred tax liabilities (net)	-	-
	Other non-financial liabilities	155.09	186.31
	Total non-financial liabilities	591.64	732.46
	Total liabilities	27,046.66	26,048.02
	TOTAL EQUITY & LIABILITIES	31,527.26	30,035.04



CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED

(₹ in lacs)

Sr. no.	Particulars	As at 31-Mar-23	As at 31-Mar-22
		(Audited)	(Audited)
A.	Cash flow from the operating activities		
	Net profit before tax	859.11	822.20
	Add: adjustments for:		
	Depreciation and amortization	50.31	37.99
	Profit on sale on asset	-	-
	Operating profit before working capital changes	909.42	860.19
	Changes in working capital		
	Adjustments for (increase) / decrease in operating assets:		
	Loans and advances	(2,651.54)	(12,700.67)
	Other financial and non-financial assets	170.15	(305.68)
	Adjustments for (increase) / decrease in operating liabilities:		
	Proceeds from borrowings	1,140.48	9,427.27
	Other financial and non-financial liabilities	(32.23)	72.45
	Provisions	(109.61)	243.27
	Total change in working capital	(1,482.75)	(3,263.36)
	Cash generated from / (used in) operations	(573.33)	(2,403.17)
	Income tax paid (net)	225.32	211.10
	Cash flow from / (used in) operating activities (A)	(798.65)	(2,614.27)
B.	Cash flow from investing activities		
	Inflows (sale of fixed asset)	-	-
	Out flows	-	(199.07)
	Cash flow (used in) investing activities (B)	-	(199.07)
C.	Cash flow from financing activities		
	Dividends paid including dividend distribution tax	(146.04)	(135.23)
	Cash flow from / (used in) financing activities (C)	(146.04)	(135.23)
	Net decrease / increase in cash & cash equivalents (A+B+C)	(944.69)	(2,948.57)
	Cash and cash equivalents at the beginning of the year	497.44	3,446.01
	Cash & cash equivalents (closing balance)	(447.25)	497.44

Notes:

1. 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".
2. 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 Tuesday, May 30, 2023.
3. 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.
4. The figures for the previous periods are re-classified / re-arranged / re-grouped, wherever necessary, to correspond with the current period's classification / disclosure.
5. The figures of the last quarter are the balancing figures between audited figures in respect of full financial year ended on March 31, 2023 and the published year to date figures upto third quarter of the current financial year.
6. 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.
7. The board has recommended a final dividend of ₹ 1.35 (i.e. 13.50%) per equity share of ₹ 10/- (rupees ten only) each for the financial year ended on March 31, 2023. Payment of the same is subject to the approval of shareholders in their ensuing annual general meeting.
8. The company has vide approval of its board of directors obtained at their meeting held on February 17, 2023, shifted situation / address of its registered office from B-81, Pariseema Complex, C. G. Road, Ellisbridge, Ahmedabad - 380006, Gujarat, India to 4th Floor, KIFS Corporate House (Khandwala House), Nr. Land Mark Hotel, Nr. Neptune House, Iskon-Ambli Road, Bodakdev, Ahmedabad - 380054, Gujarat, India i.e. within the local limits of city, town or village and has also updated its contact details accordingly.

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



G. P. Khandwala

Rajesh P. Khandwala
(Managing Director)
(DIN: 00477673)

Ahmedabad, May 30, 2023



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
email : parikhshah412@yahoo.com

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, 2023 and the year to date results for the period from April 1, 2022 to March 31, 2023, 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, 2023 as well as the year to date results for the period from April 1, 2022 to March 31, 2023.

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 scepticism 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, 2023 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

Digitally signed by BIMAL
ARVINDBHAI SHAH
Date: 2023.05.30 13:56:00
+05'30'

Bimal Arvindbhai Shah
(Proprietor)
Membership no.: 042372

Ahmedabad, May 30, 2023
UDIN: 23042372BGYWMR2878



KIFS FINANCIAL SERVICES LIMITED

Registered and Corporate Office: 4th Floor, KIFS Corporate House (Khandwala House),
Nr. Land Mark Hotel, Nr. Neptune House, Iskon-Ambli Road, Bodakdev, Ahmedabad – 380054, Gujarat, India.
CIN: L67990GJ1995PLC025234, **Tel.:** +91 79 69240000 – 09, **NBFC RBI Reg.:** 01.00007
Email: cs@kifs.co.in, **Website:** www.kifsfinance.com

Date: May 30, 2023

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, 2023 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)

