

Scrip ID : INDOASIF

Date: 14/10/2019

Scrip Code : 530747

To,

Department of Corporate Service  
Bombay Stock Exchange Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort Mumbai-400001

Dear Sir,

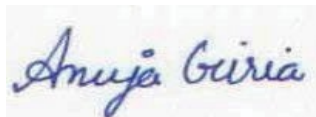
**Sub: Annual Report under Regulation 34 of the SEBI-LODR**

Please find the enclosed Regulation-34 Annual Report under the LODR for the financial year ended 31<sup>st</sup> March, 2019.

This is for your kind information and records.

Thanking you,  
Yours Truly,

For **Indo Asia Finance Limited**



**Anuja Giria**  
Company Secretary  
(Membership:A43700)



**INDO ASIA FINANCE LIMITED****2018-2019**

<b>Composition of the Board :</b>	<b>PADAM J CHALLANI,</b> Chairman cum- Managing Director
	<b>N. SUBRAMANIAN,</b> B.com, Director
	<b>M. J. LAKSHMI NARASIMHA RAO,</b> B.com (Hons), F.C.A Director
	<b>SWAPNA PAWAN KOCHAR</b> Woman Director
<b>Registered Office :</b>	No.15, New Giri Road, T.Nagar, Chennai – 600017, Tamil Nadu, India. Phone: 044- 2834 2111, Fax: 044- 2834 1280 Email: info@indoasiafinance.com Website: www.indoasiafinance.com
<b>Auditors :</b>	<b>M/s. RAJARATHINAM &amp; ASSOCIATES,</b> Chartered Accountant Firm Reg. No.: 011135S Membership No.: 020610 G4A, Meenakshi Flats, No.25, Mannar Street, T.Nagar, Chennai – 600020 Phone: 044- 4501 1206
<b>Bankers / Financial Institutions :</b>	<b>PUNJAB &amp; SIND BANK,</b> Mount Road Branch,
	<b>HDFC BANK,</b> G.N. Chetty Road, T. Nagar, Branch,
	<b>RBL BANK,</b> G.N. Chetty Road, T. Nagar, Branch,
<b>Share Listed with :</b>	The Bombay Stock Exchange Limited (BSE Ltd.), Mumbai
<b>Registrars and Share Transfer Agent</b>	M/s. Cameo Corporate Services Limited “Subramanian Buildings”, 1, Club House Road, Chennai – 600002 Phone: 044- 2846 0390 / 94, Fax: 044- 2846 0129. E-mail: investor@cameoindia.com





**INDO ASIA FINANCE LIMITED**

**2018-2019**

**NOTICE TO THE SHAREHOLDERS**

**NOTICE** is hereby given that the **Twenty-Ninth** Annual General Meeting of the Members of **INDO ASIA FINANCE LIMITED** will be held on **Saturday 28<sup>th</sup> September, 2019** from **11.00 a.m.** at **Shankar Business Space, No.5/4, Nana Street, T. Nagar, Chennai- 600017** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance sheet, Profit & Loss Account and Cash Flow Statement for the year ended 31<sup>st</sup> March, 2019 and as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Padam J Challani (DIN:00052216), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint M/s. Kannan Associates (FRN:001736S), Chartered Accountants, having office at 447, Agraharam Street, Erode- 638001 as auditors of the company to hold office for a period of 1 year from the conclusion of this Annual General Meeting till the conclusion of the Annual General Meeting to be held for the Financial year ended 31<sup>st</sup> March, 2020, and the remuneration to be fixed by the Board of Directors in consultation with the Auditor.

**SPECIAL BUSINESS:**

**4. RATIFICATION OF THE APPOINTMENT OF MANAGING DIRECTOR**

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

**"RESOLVED THAT** pursuant to Sections 196, 203 and other applicable provisions, if any, of the Companies Act, 2013 Mr. Padam J Challani be and is hereby appointed as the Managing Director of the company for a period of one year up to 31<sup>st</sup> March, 2020."

**"FURTHER RESOLVED THAT** Swapna P Kochar, Director be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory or otherwise, in relation to the above and sign and execute all applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution."

**By Order of the Board  
For Indo Asia Finance Limited**

10<sup>th</sup> August, 2019  
Registered Office  
No.15, New Gili Road,  
T. Nagar, Chennai- 17

Padam J Challani  
Managing Director  
DIN: 00052216



**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013. The act relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statements are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday the 21<sup>st</sup> September, 2019 to Saturday the 28<sup>th</sup> September, 2019 (both days inclusive) for the purpose of ensuing Twenty Ninth Annual General Meeting.
8. Members are hereby requested to send all correspondence concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Registrar and Share Transfer Agent.
9. Members desiring to have any clarification on accounts are requested to write to the Company at an early date so as to enable the Company keep the information ready.
10. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, members holding shares in electronic forms are therefore requested to submit the PAN to their Depositories Participant with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents.
11. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their depository participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents.
12. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of Notice/Documents including Annual Report can be sent by E-mail to its members. To support this Green Initiative of the Government in full measure, members who have not registered their E-mail addresses, so far, are requested to register their E-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their E-mail IDs with M/s. Cameo Corporate Services Limited, "Subramanian Buildings", 1, Club House Road, Chennai-600 002.





13. Members who are holding shares in more than one folio under physical form may approach the Company's Share Transfer Agents for consolidation with respective details.
14. In compliance with the provisions of section 108 of the Act and the Rules framed there under, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 25<sup>th</sup> September, 2019 (from 9 a.m.) and ends on 27<sup>th</sup> September, 2019 (till 5 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 Saturday 20<sup>th</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<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"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number has been provided as Serial Number (SL NO.) in the Address Label</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li></ul>
<b>DOB</b>	<p>Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.</p>
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio.</p> <ul style="list-style-type: none"><li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</li></ul>





- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create 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 should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).





15. Brief resume of Director proposed to be appointed / re-appointed as required under Clause 49 of the Listing Agreement with the Stock Exchanges is given below:

**MANAGING DIRECTOR**

Name	Mr. Padam J Challani
Date of Birth & Age	10/01/1955 (64 years)
Nationality	Indian
Date of Appointment on the Board	29/01/2010
Qualifications	B.Sc
Expertise in functional area	Business and Finance
No. of Shares held	Nil
Number of Directorship held in other Companies as on date	8
Chairman/Member of the Committees of the Board of other Companies in which he is Director as on date	2
PAN	AEKPC1816N

By Order of the Board  
For Indo Asia Finance Limited

Padam J Challani  
Managing Director  
DIN-00052216

10<sup>th</sup> August, 2019

Registered Office  
No.15, New Giri Road,  
T. Nagar, Chennai- 17

**Explanatory Statement:****(Pursuant to Section 102 of the Companies Act, 2013)****Item No.4 - APPOINTMENT OF MANAGING DIRECTOR**

Mr. Padam J Challani was appointed as Managing Director at the Board Meeting held on 07<sup>th</sup> January, 2019 under Section 196 & 203 of the Companies Act, 2013 for a period of 1 (One) year up to 31<sup>st</sup> March, 2020.

A brief profile of the Director is given in the notes above.

**By Order of the Board  
For Indo Asia Finance Limited**

**Padam J Challani  
Managing Director  
DIN-00052216**

10<sup>th</sup> August, 2019  
Registered Office  
No.15, New Giri Road,  
T. Nagar, Chennai- 17



**DIRECTORS' REPORT**

To the Members,

The Directors have great pleasure in presenting their 29<sup>th</sup> Annual Report along with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2019.

**FINANCIAL RESULTS**

The Financial Results of the Company for the year ended 31<sup>st</sup> March, 2019 are summarized below:

Sl.No.	Particulars	Current F.Y. ended 31 <sup>st</sup> March, 2019	Previous F.Y. ended 31 <sup>st</sup> March, 2018
(i)	Revenue from operations (net)	8,61,478	19,49,781
(ii)	Other Income	36,10,874	41,38,218
(iii)	<b>Total Income</b>	<b>44,72,352</b>	<b>60,87,999</b>
(iv)	Operating Expenditure	1,91,01,936	1,55,58,480
(v)	Profit before Interest, Depreciation and Amortisation and Tax	(1,30,13,937)	(94,70,481)
(vi)	Finance Costs (net)	21,27,024	23,70,967
(vii)	Depreciation and Amortisation	6,54,143	9,28,498
(viii)	<b>Profit before Taxes</b>	<b>(1,74,10,751)</b>	<b>(1,27,69,946)</b>
(ix)	Tax Expenses		
	a) Current Tax	NIL	NIL
	b) Deferred Tax	NIL	NIL
(x)	<b>Net Profit (or) Loss for the Year</b>	<b>(1,74,10,751)</b>	<b>(1,27,69,946)</b>
(xi)	Balance Brought Forward from Previous Year	NIL	NIL
(e)	<b>Balance carried to Balance Sheet</b>	<b>(1,74,10,751)</b>	<b>(1,27,69,946)</b>

**PERFORMANCE OF THE COMPANY**

During the year, your Company registered a total income of Rs.44,72,352/- against previous year Rs. 60,87,999/-. Your Company registered a Net Loss after Tax of Rs.1,74,10,751/- as compared to previous year Net Loss of Rs. 1,27,69,946/-.

**DIVIDEND**

Since the Company has registered a net loss during the year, yours Directors have not recommended any Dividend for the period ended 31.03.2019.

**TRANSFER TO RESERVES**

The Company has not transferred any amount to General Reserve during the Financial Year.

**DEPOSITS**

The Company has not accepted Public Deposits during the period. The Company has repaid all earlier Deposits in June 2012. Your Company is taking steps to convert its status from Deposit Taking Company to Non-Deposit Taking Company in accordance with the RBI regulations.

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SEC.186**

The company did not give any Loan or Guarantee or provided any security or make investment covered under Section 186 of the Companies Act, 2013 during the year.

**DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Details of change in Director & KMPs during the year are tabled below:

Name of Director/ Key Managerial Personnel	Designation	Date of Re- Appointment	Date of Resignation
Mr. Padam J Challani	Managing Director	14/02/2019	N.A.
Mr. M. Kathiresan	Chief Financial Officer	14/08/2018	N.A.
M/S Anuja Giria	Company Secretary	16/08/2018	N.A.

**Declaration by Independent Directors**

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and





Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**BOARD MEETINGS HELD DURING THE FINANCIAL YEAR**

During the period from 01<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 - Four Board Meetings were convened and held, the details of which are given below.

Date of Board Meeting	Names of Directors who attended the meeting
14 <sup>th</sup> May, 2018	Padam J Challani, N.Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar
09 <sup>th</sup> August, 2018	Padam J Challani, N.Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar
09 <sup>th</sup> November, 2018	Padam J Challani, N.Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar
07 <sup>th</sup> January, 2019	Padam J Challani, N.Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar,

**DETAILS OF COMMITTEES AND THEIR MEETINGS**

The Board has three primary committees namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee. The Composition of the primary Committees and their meeting dates are given below:

Name of the Committee	Composition	Details of Meetings held during the year
Audit Committee	*N Subramanian, *Lakshmi Narasimha Rao, Padam J Challani	4 meetings were held during the period on the following dates:- <ul style="list-style-type: none"><li>• 14<sup>th</sup> May, 2018</li><li>• 09<sup>th</sup> Aug, 2018</li><li>• 09<sup>th</sup> Nov, 2018</li><li>• 07<sup>th</sup> Jan, 2019</li></ul>
Stakeholders' Relationship Committee	*N Subramanian, *Lakshmi Narasimha Rao, Padam J Challani  *Swapna P Kochar	1 Meeting were held during the period on the following dates:- <ul style="list-style-type: none"><li>• 07<sup>th</sup> Jan, 2019</li></ul>
Independent Directors Meeting	*N Subramanian, *Lakshmi Narasimha Rao,	1 Meeting were held during the period on the following dates:- <ul style="list-style-type: none"><li>• 14<sup>th</sup> May, 2018</li></ul>



Nomination and Remuneration Committee	*N Subramanian, *Lakshmi Narasimha Rao, Padam J Challani	1 Meeting were held during the period on the following dates:- • 07 <sup>th</sup> Jan, 2019
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*\*Mr. N. Subramanian and Mr. Lakshmi Narasimha Rao are the Non - Executive Independent Directors*

**COMPOSITION OF BOARD OF DIRECTORS**

Name and Designation of the Director	Category	Number of Board Meetings during the year ended 31.03.2019		Whether attended last AGM	Number of Directorships in Companies & LLPs		Number of Committee positions held in other Public Companies	
		Held	Attended		Chairman	Member	Chairman	Member
Padam J Challani	Promoter cum-Managing Director	4	4	Yes	6	8	--	--
N. Subramanian	Non-Executive Independent Director	4	4	Yes	--	1	--	--
Lakshmi Narasimha Rao	Non-Executive Independent Director	4	4	Yes	--	3	1	2
Swapna P Kochar	Non-Executive Woman Director	4	4	Yes	--	3	--	--

**Details of recommendations of Audit Committee which were not accepted by the Board along with reasons**

During the year the Board of Directors has considered all the recommendations made by the Audit Committee and has accepted and carried out the recommendations suggested by the Committee to its satisfaction. Hence there are no recommendations unaccepted by the Board of Directors of the Company during the year under review.





- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance with short and long-term performance objectives appropriate to the working of the company and its goals

This policy is being governed by the Nomination and Remuneration Committee comprising of three members of the Board, out of whom two were Non-Executive and Independent Directors and one Executive Director. The policy lays down the standards to be followed by the Nomination and Remuneration Committee with respect to the appointment, remuneration and evaluation of Directors and Key Management Personnel.

**(ii) Affirmation that the remuneration is as per the remuneration policy of the company**

The Company has formulated the Nomination and Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto. This policy governs the criteria for deciding the remuneration for Directors and Key Management Personnel. It is affirmed that the remuneration to Directors and Key Management Personnel is being fixed based on the criteria and parameters mentioned in above mentioned policy of the Company.

**(iii) Risk Management Policy**

The Board of Directors of your Company has adopted a Risk Management Policy which details the procedures to be followed by the Company with regard to risk management. The Board evaluates and reviews the risk factors associated with the operations of the Company and recommend to the Board the methods to mitigate the risk and advise from time to time various measures to minimizing the risk and monitor the risk management for the Company.

**(iv) Whistle-Blower Policy – Vigil Mechanism**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or Policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Chairman of the Board/Chairman of the Audit Committee in exceptional cases.



**(iv) Whistle-Blower Policy – Vigil Mechanism**

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Vigil (Whistle Blower) mechanism provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of Conduct or Policy. The mechanism provides for adequate safeguards against victimization of employees and directors to avail of the mechanism and also provide for direct access to the Chairman of the Board/Chairman of the Audit Committee in exceptional cases.

In line with the statutory requirements, the Company has formulated a Whistle Blower Policy/Vigil Mechanism, which covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is or is likely to be affected.

**EVALUATION OF BOARD, COMMITTEE AND DIRECTORS**

Pursuant to the provisions of the Companies Act, 2013, an annual performance evaluation of the performance of the Board, the Directors individually as well as the evaluation of the working of the Board Committees was carried out based on the criteria and framework adopted by the Board.

The Independent Directors evaluation was done with main focus on their adherence to the Corporate Governance practices and their efficiency in monitoring the same. They are also being evaluated on various parameters viz., active participation in strategic planning, fiduciary responsibilities, participation in Board and Committee meetings, etc. The performance evaluation of the Non Independent Directors was carried out by the entire Board of Directors (excluding the Director being evaluated) and they have expressed their satisfaction with the evaluation process which considered their commitment and the exercise of their responsibilities in the best interest of the Company.

**NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.**

No companies have become or ceased to be its subsidiaries, joint ventures or associate companies during the year.



**AUDITORS****Statutory Auditors**

The tenure of existing auditors M/s. Rajarathinam & Associates (FRN:011135S) Chennai, ended on 31<sup>st</sup> March 2019. Therefore the board proposes to appoint M/s Kannan Associates (FRN No:001736S) as the new statutory auditors of the company.

M/s Kannan Associates (FRN No:001736S) Chennai are to be appointed as the Statutory Auditors of the Company at the Annual General Meeting to be held on 28/09/2019 to hold their office till the conclusion of the A.G.M. to be held for the Financial year ending 31<sup>st</sup> March, 2020.

There were no serious violations/Qualifications figuring in Audit Report.

**Secretarial Auditor:**

Mr. R.Alagar, Practicing Company Secretary having COP: 3913, was appointed to conduct the Secretarial audit of the Company for the financial year 31<sup>st</sup> March, 2019, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for the financial year 2019 forms part of the Annual Report and is enclosed in **Annexure – I**.

**Qualifications:**

- a) Money is lying in Share Application account and shares are not allotted within the stipulated time under section 62 of the Companies Act, 2013  
The company has informed that the concerned investor who has contributed the share application money has preferred an application to SEBI under regulation 11(1) of SEBI (SAST) seeking exemption from open offer, and that the company will complete the allotment on receiving the approval for the said exemption from SEBI.
- b) As per SEBI Regulations, the name of the Company, which was changed to Indo Asia Finance Limited is not reflected in the stock exchange records.
- c) According to the information provided by the Company, the company has applied to Reserve Bank of India for change of license from category 'A' to Category 'B' and the matter is in progress.

**Reply to the Qualifications:**

- a) The Company has noted the Application under regulation 11(1) of SEBI (SAST) seeking exemption for open offer by the Associate Company which made the Share Application. The Company is closely pursuing the matter and will proceed with the allotment on receipt of the approval for exemption from SEBI.
- b) The company has intimated stock exchange to rectify the name of the company and pursuing for the ratification.



**PARTICULARS OF EMPLOYEES AND REMUNERATION**

Details as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- i) There are no employees drawing remuneration which in the aggregate exceeds Rs. 60 Lakhs or more per annum, during the financial year.
- ii) None of the employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, which, in the aggregate exceeds Rupees Five Lakhs per month, during the financial year.

**Details required as per Section 197 and Rule 5 of Companies****(Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Name of the Key Managerial Personnel	Amount of Remuneration Per month Rs.	Ratio of remuneration to median remuneration of employees for the F.Y.	% increase in remuneration during the F.Y.	Comparison of remuneration to performance of company
NIL				

Percentage increase in the median remuneration of employees in the financial year - Nil

Number of permanent employees on the rolls of the company as on 31.03.2019 = 5

**Variations in Market Capitalization of the Company**

The market capitalization of the Company as of 31<sup>st</sup> March, 2019 was:-

Number of Shares as on 31 <sup>st</sup> March, 2019	Closing price as of 31 <sup>st</sup> March, 2019 at BSE	Market Capitalization in Crores
90,00,000	3.47	3.12

The market capitalization of the Company as of 31<sup>st</sup> March, 2018 was:-

Number of Shares as on 31 <sup>st</sup> March 2018	Closing price as of 31 <sup>st</sup> March, 2018 at BSE	Market Capitalization in Crores
90,00,000	4.15	3.73

**Price earnings ratio**

Price earnings ratio	As on 31.03.2019	As on 31.03.2018
P/E ratio	-1.62	-2.63

**Key parameters for any variable component of remuneration availed by the directors;**

Directors are not receiving salary. Hence this is not applicable





**The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year**

Directors are not receiving salary. Hence this is not applicable

**Details of pecuniary relationship or transactions of the non-executive directors vis-à-vis the company**

*Non- Executive Directors get only Sitting Fees and conveyance for attending the Board and Committee Meetings.*

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Managing Director. The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED SINCE 31.03.2019 TILL THE DATE OF THIS REPORT**

There are no material Changes and commitments affecting the financial position of the company which has occurred since 31.03.2019 till the date of this report.

#### **EXTRACT OF ANNUAL RETURN**

An extract of the Annual Return in form MGT-9 is enclosed in **Annexure – II.**

**RELATED PARTY TRANSACTIONS**

The details of Related Party Transactions during the year are enclosed in Form AOC-2.

**CORPORATE GOVERNANCE REPORT**

The Corporate governance Report is not applicable to your company as the equity share capital of the company is less than Rs.10 Crores and the networth of the company is less than Rs.25 Crores as per Reg.15(2)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

NA

**DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii. The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii. 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.
- iv. The directors have prepared the annual accounts on a going concern basis.
- v. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi. The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating efficiently.





**INDO ASIA FINANCE LIMITED**

**2018-2019**

#### **DEPOSITORY SYSTEM**

As the members are aware, your Company's shares are tradable in electronic form and the Company has established connectivity with both the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). In view of the advantages of the Depository System, the members are requested to avail of the facility of dematerialization of the Company's shares.

#### **INDUSTRIAL RELATIONS**

Industrial relations of your Company remained cordial and peaceful throughout the year.

#### **ACKNOWLEDGEMENTS**

The Directors wish to convey their appreciation to business associates for their support and contribution during the year. The Directors would also like to thank the employees, members, customers, bankers, and associates for the continued support given by them to the Company and their confidence reposed in the management.

**By Order of the Board  
For Indo Asia Finance Limited**

**Padam J Challani  
Managing Director  
DIN:00052216**

10<sup>th</sup> August' 2019  
Registered Office  
No.15, New Gira Road,  
T.Nagar, Chennai- 17

**INDO ASIA FINANCE LIMITED****2018-2019****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)**

Form for 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 material contracts or arrangement or transactions not at arm's length basis - **NIL**

2. Details of material contracts or arrangement or transactions at arm's length basis

(Rs. in Lakhs)

Name(s) of the related party and nature of relationship	J Padamchand HUF Relative of KMP	P. Shobha Relative of KMP
Nature of contracts / arrangements / transactions	Rent Paid	Rent Paid
Duration of the contracts / arrangements / transactions	2018-19	2018-19
Salient terms of the contracts or arrangements or transactions including the value, if any:	1.50	4.05
Date(s) of approval by the Board, if any:	14-05-2018	14-05-2018
Amount paid as advances, if any:	NIL	NIL





**INDO ASIA FINANCE LIMITED**

**2018-2019**

**Compliance Certificate of Managing Director**  
**Reg.18(8) of SEBI LODR, 2015**

I have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies. And we will do the necessary action to resolve the qualification made by Mr. Alagar, Secretarial Auditor.

D. We have indicated to the auditors and the Audit committee:

(1) significant changes in internal control over financial reporting during the year;

(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**By Order of the Board**  
**For Indo Asia Finance Limited**

**Padam J Challani**  
**Managing Director**  
**DIN:00052216**

10<sup>th</sup> August, 2019  
Registered Office  
No.15, New Girdi Road,  
T.Nagar, Chennai- 17



**INDO ASIA FINANCE LIMITED**

**2018-2019**

**R.ALAGAR, B.Com., FCS**  
Company Secretary

1E, Nithya Grandeur  
1A, Kannan Nagar 3rd Main Road,  
Nanganallur,  
via- Madippakkam  
Chennai-600091  
Ph. 22243194  
Mobile: 9940682194  
email: alagarr@gmail.com

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

**Form No. MR-3**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Board of Directors  
**INDO ASIA FINANCE LIMITED**  
CIN- L65191TN1990PLC019060  
15 New Giri Road  
T.Nagar  
Chennai- 600017

I have conducted a secretarial audit of the compliance of applicable statutory provisions and adherence to good corporate practices by **Indo Asia Finance Limited** (hereinafter called "the Company").

The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **Indo Asia Finance Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, complied with the statutory provisions listed hereunder and also that the Company has





proper Board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter. The members are requested to read this report along with my letter of even date annexed to this report as Annexure – A.

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Indo Asia Finance Limited** (the Company) for the financial year ended on March 31, 2019 according to the applicable provisions of:
  - i) The Companies Act, 1956, Companies Act, 2013 (the Act) and the rules made thereunder.
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
  - iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder.
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
    - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
    - c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
    - d) The securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; and
    - e) The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - vi) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. I am informed that, for the financial year ended on March 31, 2019:

The company was not required to maintain books, papers, minute books, forms and returns filed or other records according to the provisions of the following Regulations and Guidelines prescribed under SEBI Act:

The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;



The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and  
The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

3. Related Laws applicable to this Company is Laws governing NBFC and the rules thereunder including RBI Act, 1934
4. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
5. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the company has complied with the provisions of the acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable subject to the following:
  - a) Money is lying in Share Application account and shares are not allotted within the stipulated time under section 62 of the Companies Act, 2013.  
The company has informed that the concerned investor who has contributed the share application money has preferred an application to SEBI under regulation 11(1) of SEBI (SAST) seeking exemption from open offer, and that the company will complete the allotment on receiving the approval for the said exemption from SEBI.
  - b) As per SEBI Regulations, the name of the Company, which was changed to Indo Asia Finance Limited is not reflected in the stock exchange records.
  - c) According to the information provided by the Company, the company has applied to Reserve Bank of India for change of license from category 'A' to Category 'B' and the matter is in progress.
5. I further report that:
  - i) The board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Board also has a woman director. 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.
  - ii) Adequate notice is given to all directors to schedule the Board Meetings. Notice of Board meetings along with agenda were sent at least seven days before the meeting





**INDO ASIA FINANCE LIMITED**

**2018-2019**

- iii) A system exists for directors to seek and obtain further information and clarifications on the agenda items before the meetings and for their meaningful participation at the meetings. Majority decision is carried through. I am informed that there were no dissenting members' views on any of the matters during the year that were required to be captured and recorded as part of the minutes.
- iv) 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.

Place: Chennai  
Date: 29-04-2019

Signature:  
Name of Company Secretary: **R. Alagar**  
Membership.No. **F4720**  
C.P.No. **3913**



**INDO ASIA FINANCE LIMITED**

**2018-2019**

**Annexure A to Secretarial Audit Report of even date**

To,  
The Board of Directors  
**INDO ASIA FINANCE LIMITED**  
CIN- L65191TN1990PLC019060  
15 New Giri Road  
T.Nagar  
Chennai- 600017

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards are the responsibility of the management of the company. My responsibility is to make a report based on the secretarial records produced for my 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 my report.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. I have obtained the management's representation about the compliances of laws, rules and regulations and happenings of events, wherever required.
5. This Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai  
Date: 29-04-2019

Signature:  
Name of Company Secretary: **R.Alagar**  
Membership.No.**F4720**  
C.P.No.**3913**



**INDO ASIA FINANCE LIMITED****2018-2019****Annexure -II****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration) Rules, 2014.

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	L65191TN1990PLC019060
2.	Registration Date	17/04/1990
3.	Name of the Company	INDO ASIA FINANCE LIMITED
4.	Category/Sub-category of the Company	Company Limited by Shares / Non- Govt. Company
5.	Address of the Registered office & contact details	No.15, New Giri Road, T. Nagar, Chennai-600017.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Cameo Corporate Services Ltd., "Subramanian Buildings", 1, Club House Road, Chennai-600002. Ph:91-44-28460390-94; e-mail: investor@cameoindia.com

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)**

S.no.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Other financial service activities, except insurance and pension funding activities, n.e.c.	64990	100%

**III. PARTICULARS OF HOLDING, SUBIDIARY AND ASSOCIATE COMPANIES**

SNo.	Name and address of the company	CIN/GLN	Holding/sub/associate	% of holding	Applicable section
		-NIL-			


**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**(i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	4511399	27300	4538699	50.4299	4621999	26800	4648799	51.6533	1.2233
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1):-</b>	<b>4511399</b>	<b>27300</b>	<b>4538699</b>	<b>50.4299</b>	<b>4621999</b>	<b>26800</b>	<b>4648799</b>	<b>51.6533</b>	<b>1.2233</b>
<b>(2) Foreign:</b>									
(a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
(b) Other- Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp	0	0	0	0	0	0	0	00	0
(d) Banks/FI	0	0	0	0	0	0	0	0	0
(e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A) (1) + (A) (2)</b>	<b>4511399</b>	<b>27300</b>	<b>4538699</b>	<b>50.4299</b>	<b>4621999</b>	<b>26800</b>	<b>4648799</b>	<b>51.6533</b>	<b>-1.2233</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0





h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	32515	9600	42115	0.4679	30174	9600	39774	0.4419	-0.026
b) Individuals -									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	561549	544900	1106449	12.2938	583759	520200	1103959	12.2662	-0.0276
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2997118	152900	3150018	35.0002	2623548	152900	2776448	30.8494	-4.1507
c) Others (specify)	0	0	0	0					
Clearing Members	0	0	0	0					
Hindu Undivided Families	161761	0	161761	1.7973	430062	0	430062	4.7784	2.9811
Non Resident Indians	958	0	958	0.0106	958	0	958	0.0106	0
<b>Sub-total (B)(2):-</b>	<b>3753901</b>	<b>707400</b>	<b>4461301</b>	<b>49.5700</b>	<b>3668501</b>	<b>682700</b>	<b>4351201</b>	<b>48.3466</b>	<b>-1.2233</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3753901</b>	<b>707400</b>	<b>4461301</b>	<b>49.5700</b>	<b>3668501</b>	<b>682700</b>	<b>4351201</b>	<b>48.3466</b>	<b>-1.2233</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B)</b>	<b>8265300</b>	<b>734700</b>	<b>9000000</b>	<b>100</b>	<b>8290500</b>	<b>709500</b>	<b>9000000</b>	<b>100</b>	<b>0</b>



**ii). Share Holding of Promoters:**

Sl No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged / encumbered to total shares
1	P SHOBHA JT1 : AJEETH P CHALLANI JT2 : PADHAM J CHALLANI	2922800	32.4755	0.0000	0.0000	0.0000	0.0000
2	P SHOBHA JT1 : PADAM J CHALLANI	864894	9.6099	0.0000	4554154	50.6017	0.0000
3	J P SWAPNA JT1 : PADAM J CHALLANI JT2 : P SHOBHA	346808	3.8534	0.0000	0.0000	0.0000	0.0000
4	MAMTHA A MUTHAA	309054	3.4339	0.0000	0.0000	0.0000	0.0000
5	SUMTHI A CHALLANI	60600	0.6733	0.0000	60600	0.6733	0.0000
6	AMARABAI J JT1 : JAYANTILAL R J	20700	0.2300	0.0000	20700	0.2300	0.0000
7	J HEMALATHA HAVING SAME PAN	7245	0.0805	0.0000	7245	0.0805	0.0000
7	HEMALATHA J	400	0.0044	0.0000	400	0.0044	0.0000
8	LALITHA J A JT1 : PADAM CHALLANI J	5700	0.0633	0.0000	5700	0.0633	0.0000
9	SHOBHA P JT1 : PADAM J CHALLANI	500	0.0055	0.0000	0.0000	0.0000	0.0000





**INDO ASIA FINANCE LIMITED**

**2018-2019**

**iii). Change in Promoters' Shareholding (Please specify, if there is no change):**

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	P SHOBHA JT1 : AJEETH P CHALLANI JT2 : PADHAM J CHALLANI				
	At the beginning of the year 01-Apr-2018	2922800	32.4755	2922800	32.4755
	Sale 04-May-2018	-2922800	32.4755	0	0
	At the end of the Year 31-Mar-2019	0.0000	0.0000	0.0000	0.0000
2	P SHOBHA JT1 : PADAM J CHALLANI				
	At the beginning of the year 01-Apr-2018	864894	9.6099	864894	9.6099
	Purchase 06-Apr-2018	655860	7.2873	1520754	16.8972
	Purchase 04-May-2018	2922800	32.4755	4443554	49.3728
	Purchase 07-Dec-2018	110100	1.2233	4553654	50.5981
	Demated 29-Mar-2019	500	0.0055	4554154	50.6017
	At the end of the Year 31-Mar-2019	4554154	50.6017	4554154	50.6017
3	J P SWAPNA JT1 : PADAM J CHALLANI JT2 : P SHOBHA				
	At the beginning of the year 01-Apr-2018	346806	3.8534	346806	3.8534
	Sale 06-Apr-2018	-346806	3.8534	0.0000	0.0000
	At the end of the Year 31-Mar-2019	0.0000	0.0000	0.0000	0.0000
4	MAMTHA A MUTHAA				
	At the beginning of the year 01-Apr-2018	309054	3.4339	309054	3.4339
	Sale 06-Apr-2018	-309054	3.4339	0	0.0000
	At the end of the Year 31-Mar-2019	0.0000	0.0000	0.0000	0.0000
5	SUMTHI A CHALLANI				
	At the beginning of the year 01-Apr-2018	60600	0.6733	60600	0.6733
	At the end of the Year 31-Mar-2019	60600	0.6733	60600	0.6733





7	AMARABAI J JT1 : JAYANTILAL R J				
	At the beginning of the year 01-Apr-2018	20700	0.2300	20700	0.2300
	At the end of the Year 31-Mar-2019	20700	0.2300	20700	0.2300
8	JHEMALATHA				
	At the beginning of the year 01-Apr-2018	7245	0.0805	7245	0.0805
	At the end of the Year 31-Mar-2019	7245	0.0805	7245	0.0805
	HAVING SAME PAN				
8	HEMALATHA J				
	At the beginning of the year 01-Apr-2018	400	0.0044	400	0.0044
	At the end of the Year 31-Mar-2019	400	0.0044	400	0.0044
9	LALITHA J A JT1 : PADAM CHALLANI J				
	At the beginning of the year 01-Apr-2018	5700	0.0633	5700	0.0633
	At the end of the Year 31-Mar-2019	5700	0.0633	5700	0.0633
10	SHOBHA P JT1 : PADAM J CHALLANI				
	At the beginning of the year 01-Apr-2018	500	0.0055	500	0.0055
	At the end of the Year 31-Mar-2019	0.0000	0.0000	0.0000	0.0000

**iv). Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

SI No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	ADITYA CHOPRA				
	At the beginning of the year 01-Apr-2018	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2019	450000	5.0000	450000	5.0000





2	ABHISHEK CHOPRA				
	At the beginning of the year 01-Apr-2018	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2019	450000	5.0000	450000	5.0000
3	AASHISH CHOPRA				
	At the beginning of the year 01-Apr-2018	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2019	450000	5.0000	450000	5.0000
4	M PRAKASHCHAND JAIN				
	At the beginning of the year 01-Apr-2018	442200	4.9133	442200	4.9133
	At the end of the Year 31-Mar-2019	442200	4.9133	442200	4.9133
5	P KANTHA CHOPRA				
	At the beginning of the year 01-Apr-2018	435900	4.8433	435900	4.8433
	At the end of the Year 31-Mar-2019	435900	4.8433	435900	4.8433
	HAVING SAME PAN				
5	KANTHA CHOPRA				
	At the beginning of the year 01-Apr-2018	30	0.0003	30	0.0003
	At the end of the Year 31-Mar-2019	30	0.0003	30	0.0003
6	M. PRAKASHCHAND JAIN				
	At the beginning of the year 01-Apr-2018	374400	4.1600	374400	4.1600
	At the end of the Year 31-Mar-2019	374400	4.1600	374400	4.1600
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2018	1200	0.0133	1200	0.0133
	At the end of the Year 31-Mar-2019	1200	0.0133	1200	0.0133
	HAVING SAME PAN				
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2018	76897	0.8544	76897	0.8544
	At the end of the Year 31-Mar-2019	76897	0.8544	76897	0.8544





8	ALPANA BARDIA				
	At the beginning of the year 01-Apr-2018	65321	0.7257	65321	0.7257
	At the end of the Year 31-Mar-2019	65321	0.7257	65321	0.7257
9	SANGEETHA S				
	At the beginning of the year 01-Apr-2018	46800	0.5200	46800	0.5200
	At the end of the Year 31-Mar-2019	46800	0.5200	46800	0.5200
10	ANSUYA MAHESH SACHADE JT1 : MAHESH KHERAJ SACHADE				
	At the beginning of the year 01-Apr-2018	30000	0.3333	30000	0.3333
	At the end of the Year 31-Mar-2019	30000	0.3333	30000	0.3333
11	JAWARILAL PADAMCHAND CHALLANI				
	At the beginning of the year 01-Apr-2018	110100	1.2233	110100	1.2233
	At the end of the Year 31-Mar-2019	110100	1.2233	110100	1.2233

**(v) Shareholding of Directors and Key Managerial Personnel:**

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year :-				
	Swapna P Kochar	346806	3.853%	346806	3.853%
	N Subramaniam	300	0.003%	300	0.003%
	Date wise increase / decrease in promoters shareholding during the year specifying the reasons for increase / decrease	There is change in Directors shareholding. Hence It is Applicable.			
	At the end of the year :-				
	Swapna P Kochar	0.0000	0.0000	0.0000	0.000%
	N Subramaniam	0.0000	0.0000	0.0000	0.000%




**V. INDEBTEDNESS**-Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1,88,10,800	2,59,64,585	-	4,47,75,385
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,88,10,800</b>	<b>2,59,64,585</b>	<b>-</b>	<b>4,47,75,385</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	70,81,000	-	70,81,000
* Reduction	(26,60,800)	(9,46,943)	-	(36,07,743)
<b>Net Change</b>	<b>(26,60,800)</b>	<b>61,34,057</b>	<b>-</b>	<b>34,73,257</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,61,50,000	3,20,98,642	-	4,82,48,642
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1,61,50,000</b>	<b>3,20,98,642</b>	<b>-</b>	<b>4,82,48,642</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: NIL

B. Remuneration to other Directors

B. Remuneration to other Directors					
Sl. No.	Name of Directors	Particulars of Remuneration			Total Amount
		Fee for attending Board / Committee	Salary	Others, please specify	
Independent Directors					
1.	Mr. N. Subramanian	50,000	Nil	Nil	50,000
2.	Mr. Lakshmi NarasimhaRao	40,000	Nil	Nil	40,000
Total (1)		90,000	Nil	Nil	90,000
Other Non-Executive Directors					
1.	Nil	Nil	Nil	Nil	Nil
Total (2)		Nil	Nil	Nil	Nil
Total (A) = (1 + 2 )		90,000	Nil	Nil	90,000
Total Managerial Remuneration		90,000	Nil	Nil	90,000
Overall Ceiling as per the Companies Act, 2013		12,00,000	Nil	Nil	12,00,000



*The Overall ceiling limit is calculated as per Sec-197(5) read with Rule-4 of the Companies Act, 2013*

**C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD**

S.No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	CS	CFO	
1	Gross salary	NIL	1,85,024	3,29,348	5,14,372
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	NIL	1,85,024	3,29,348	5,14,372

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL**





**To the Members of  
Indo Asia Finance Limited**

**Report on the Financial Statements**

We have audited the accompanying Standalone financial statements of Indo Asia Finance Limited, which comprise the balance sheet as at 31 March 2019, the statement of profit and loss and the cash flow statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.





An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

### **Opinion**

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019 and its Loss and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the "Annexure A" statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The balance sheet, the statement of profit and loss and the cash flow statement 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 Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors as on 31 March 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial control over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. During the current financial year, the company has not declared any dividend due to losses.

**FOR RAJARATHINAM & ASSOCIATES**

Chartered Accountants  
(FRN: 011135S)

R. Rajarathinam  
Partner

M. No. 020610.

Date: 29.04.2019.  
Place: Chennai

**"Annexure A" to the Independent Auditors' Report**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. The Company has a regular program of physical verification of its fixed assets by which fixed assets are verified in a phased manner on regular intervals. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (ii) a. The Company is a service company, primarily rendering financial services. Accordingly, it does not hold any physical inventories thus paragraph 3(ii) of the order is not applicable.
- b. The Company has not granted loans during the year to any bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013
- c. Since no loans are granted to body corporate, the question of maintaining the register under section 189 of the Companies Act does not arise.
- (iii) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and sale of services. The activity of the company does not involve any purchase of inventory and sale of goods. We have not observed any major weakness in the internal control system during the course of the audit.
- (iv) The Company has not accepted any deposits from the public.
- (v) The central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.





- (vi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, GST, wealth tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, GST, wealth tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March, 2019 for a period of more than six months from the date they became payable.
- (vii) The Company incurred a loss of Rs.174.11 Lakhs and the Cash Loss incurred by the company during the financial year amounts to Rs.167.56 Lakhs.
- (viii) Based on our audit procedure and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institutions and banks during the year.
- (ix) The Company has appointed an internal auditor who submits reports on a monthly basis to the board of directors and based on his observations corrective action is being initiated by the board. For the purpose of this audit we have taken into consideration the internal audit reports and corrective actions initiated and arrived at our conclusions.
- (x) The company as per requirements of Stock exchange has appointed a woman director in the board.
- (xi) The company as per the norms stipulated for NBFC by RBI has provided for bad debts. Detailed picture of provision has been provided in the notes on accounts. The company has concentrated on recovery of debts and has not extended any fresh loans during the current year.
- (xii) The company has redeemed during the period under review a sum of Rs. 26.61 Lakhs towards redemption of debentures. The company has initiated plans for disposal of land to redeem further debentures. The debenture holders have also agreed to wait for redemption in this regard.



- (xiii) The company has taken up a serious drive for recovery of bad debts. The company has already moved the matter in most of the cases for appointment of Arbitrator for settlement of dues and has succeeded in most of the cases. Hence there will be improvement in recovery of bad debts in the future.
- (xiv) The company has applied to reserve bank of India for change of license from category 'A' to Category 'B'. So that public deposits need not be taken for financing. The matter is in progress.
- (xv) The company on account of losses incurred had not declared any dividend to the shareholders during the current year.
- (xvi) The company had paid TDS, Income Tax, PF, ESI, GST and other statutory liabilities in time and we observe that there is no default in this regard. However, income tax assessments are pending and the demand has not been raised on the company. Since the demand if any, has not been crystallized no provision has been made in the accounts.
- (xvii) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xviii) The company did not have any term loan outstanding during the year.
- (xix) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

FOR RAJARATHINAM & ASSOCIATES

Chartered Accountants

(FRN: 011135S)

R. Rajarathinam

Partner

M. No. 020610.

Date: 29.04.2019.

Place: Chennai





**"Annexure B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Indo Asia Finance Limited**

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

We have audited the internal financial control over financial reporting of Indo Asia Finance Limited as of March 31, 2019 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 control based on Internal Audit Report which is reviewed by the board on monthly basis and action initiated wherever necessary. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.





We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on Internal Audit Report which is reviewed by the board on monthly basis and action initiated wherever necessary.

FOR RAJARATHINAM & ASSOCIATES

Chartered Accountants

(FRN: 011135S)

R. Rajarathinam

Proprietor

M. No. 020610.

Date: 29.04.2019.

Place: Chennai





# INDO ASIA FINANCE LIMITED

2018-2019

INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017  
BALANCE SHEET AS AT 31.03.2019

Sl. No	Particulars	Note No	As at	
			31.03.2019	31.03.2018
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share Capital	1	90,000,000	90,000,000
	(b) Share Application Money		60,000,000	60,000,000
	(c) Reserves and Surplus	2	(64,801,331)	(47,390,559)
			85,198,669	102,609,441
2	Non-current liabilities			
	(a) Long-Term Borrowings	3	16,150,000	18,810,800
	(b) Long-Term Provisions	4	34,308,366	21,456,867
			50,458,366	40,267,667
3	Current liabilities			
	(a) Short-Term Borrowings	5	32,098,640	25,964,585
	(b) Other Current Liabilities	6	8,408,480	8,008,973
			40,507,120	33,973,558
	<b>TOTAL</b>		<b>176,159,186</b>	<b>176,850,665</b>
B	ASSETS			
1	Non-Current Assets			
	(a) Fixed Assets			
	(i) Tangible Assets	7	4,982,930	5,637,073
	(b) Non-Current Investments	8	308,495	369,831
	(c) Deferred Tax Assets (net)		4,261,415	4,261,415
	(d) Long-Term Loans and Advances		-	-
	(e) Other Non-Current Assets		-	-
			9,547,840	10,268,319
2	Current Assets			
	(a) Current Investments			
	(c) Cash and Bank Balances	9	1,136,240	171,602
	(d) Short-Term Loans and Advances	10	140,454,796	141,401,947
	(e) Other Current Assets	11	25,020,582	25,008,798
			166,611,518	166,582,346
	<b>TOTAL</b>		<b>176,159,186</b>	<b>176,850,665</b>

For and on behalf of the Board  
for INDO ASIA FINANCE LIMITED

As per our report of even dated  
for RAJARATHINAM & ASSOCIATES  
FIRM REG. NO.: 0211355

PADAM J CHALLANI  
[MANAGING DIRECTOR]  
[DIN. NO: 00052216]

LAKSHMI NARASIMHA RAO  
[DIRECTOR]  
[DIN. NO: 01275880]

R. RAJARATHINAM  
PARTNER  
[M. NO: 020610]

Place: CHENNAI  
Date: 29.04.2019



**INDO ASIA FINANCE LIMITED**

**2018-2019**

INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2019

Sl. No	Particulars	Note No	For the year ended	For the year ended
			31.03.2019	31.03.2018
A	INCOME			
1	Revenue from Operations	12	861,478	1,949,781
2	Other Income	13	3,610,874	4,138,218
3	Total		4,472,352	6,087,999
4	Expenses			
	(a) Finance Costs	14	2,127,024	2,370,967
	(b) Employee Benefits Expense	15	2,738,554	3,464,206
	(c) Depreciation and Amortisation Expense	7	654,143	928,498
	(d) Other Expenses	16	3,516,883	3,517,116
	(e) Provisions /Write offs	17	12,846,499	8,577,159
	Total expenses		21,883,103	18,857,945
5	Profit before exceptional and extraordinary items and tax (3 - 4)		(17,410,751)	(12,769,946)
6	Exceptional Items			
7	Profit before extraordinary items and tax (5 + 6)		(17,410,751)	(12,769,946)
8	Extraordinary Items			
9	Profit before Tax (7 + 8)		(17,410,751)	(12,769,946)
10	Tax expense:			
	(a) Current tax expense			
	(b) Deferred Tax Expense			
	(b) Short Provisions of Tax of Earlier Years			
11	Profit After Tax from Continuing Operations (9 + 10)		(17,410,751)	(12,769,946)
12	Earnings per share (excluding extraordinary items) (of ` 10/- each):			
	(a) Basic & Diluted			
	(i) Continuing operations		(1.93)	(1.42)
	(ii) Total operations		(1.93)	(1.42)

For and on behalf of the Board  
for INDO ASIA FINANCE LIMITED

As per our report of even dated  
for RAJARATHINAM & ASSOCIATES  
FIRM REG. NO.: 0111355

PADAM J CHALLANI  
[MANAGING DIRECTOR]  
[DIN. NO: 00052216]

LAKSHMI NARASIMHA RAO  
[DIRECTOR]  
[DIN. NO: 01275880]

R. RAJARATHINAM  
PARTNER  
[M. NO: 020610]

Place: CHENNAI  
Date: 29.04.2019





# **INDO ASIA FINANCE LIMITED**

**2018-2019**

## **CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2019**

PARTICULARS		FOR THE YEAR ENDED 31-03-2019		FOR THE YEAR ENDED 31-03-2018	
<b>I CASH FLOW FROM OPERATING ACTIVITY</b>					
a.	Net profit before tax & Extraordinary item	(17,410,751)		(12,768,946)	
b.	Adjustment for non-cash & non-operating items				
	Add : Non-operating & Non-Cash Expenses				
	Depreciation debited to P&L A/c	654,143		928,498	
	Interest and Finance Charges	2,127,024		2,170,967	
	Provision and written off	12,846,499		8,577,156	
	Less : Non-Operating & Non-Cash Income	(1,783,085)		(893,322)	
	Profit on Sale of Investments	(400,226)			
	Dividend	(8,355)		(5,956)	
c.	Operating Profit before Working Capital changes	(2,191,666)		(508,278)	
	Adjustment for working capital changes				
	Decrease / (Increase) in working capital	1,334,961		(2,927,488)	
d.	Cash Generated from operations	(856,705)		(3,435,766)	
e.	Less : Taxes Paid				
i.	Income Taxes Paid				
f.	Cash Flow Before Extraordinary item	(856,705)		(3,435,766)	
g.	Extraordinary item				
	Net Cash from Operating Activity	(856,705)	(856,705)	(3,435,766)	(3,435,766)
<b>II CASH FLOW FROM INVESTMENTS ACTIVITY</b>					
a.	Dividend Received	8,355		8,956	
b.	Sale of Investment	466,562			
	Net cash used in Investing activity	474,917	474,917	8,956	9,956
<b>III CASH FLOW FROM FINANCING ACTIVITY</b>					
a.	Repayment of borrowings	(2,660,800)		(2,660,800)	
b.	Proceeds from unsecured loans	6,134,057		7,577,156	
c.	Interest paid on Loan	(2,127,024)		(2,571,967)	
	Net Cash used in financing activity	1,346,233	1,346,233	2,406,356	2,406,356
<b>IV NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (I+II+III)</b>					
			964,445		(1,404,474)
<b>V Opening Cash &amp; Cash Equivalents</b>					
a.	Cash in Hand & Nationalized banks	171,602	171,602	1,376,076	1,576,076
<b>VI Closing balance of cash &amp; Cash Equivalents</b>					
			1,136,047		171,602
<b>Reconciliation</b>					
<b>Closing balance of Cash &amp; Cash Equivalents</b>					
a.	Cash in Hand & Nationalized banks	1,136,047		171,602	
		NIL	1,136,047		171,602
<b>Notes :</b>					

### **Notes :**

- Figures in brackets represents outflows.
- Previous year figures have been recast/restated wherever necessary.
- Gross effect given for item No. II(b) and III(d) for and on behalf of the Board for INDO ASIA FINANCE LIMITED

As Per our Report of Even date  
for RAJARATHNAM & ASSOCIATES  
CHARTERED ACCOUNTANT

PADAM J CHALLANI  
[MANAGING DIRECTOR]  
[DIN. NO:00052216]

LAKSHMI NARASIMHA RAO  
[DIRECTOR]  
[DIN. NO:01275880]

R. RAJARATHNAM  
PARTNER  
[M. NO: 020610]

Place : CHENNAI  
Date: 29.04.2019



INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017

NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2019

NOTE NO.	PARTICULARS	As at	
		31.03.2019	31.03.2018
1	<b>Authorised Share Capital</b> <b>Ordinary Shares</b> 1,55,10,000 Equity Shares of ₹ 10/-each Issued,Subscribed and fully paid up 90,00,000(Previous year- 90,00,000 ) Equity Shares of ₹ 10/-each.  Share Application Money	       155,100,000       90,000,000       60,000,000	       155,100,000       90,000,000       60,000,000
2	<b>RESERVES AND SURPLUS</b> Capital Reserve Revaluation Reserve General Reserve Statutory Reserve pursuant to Section 45-1c of the RBI Act.1934 Balance as at the beginning of the year Add: Transferred from Profit & Loss A/c  Surplus-balance in Statement of Profit and Loss Balance as at the beginning of the year Add: Current year profit Less: Transfer to General Reserve Less: Transfer to Special Reserve Less: Depreciation Balance as at the end of the Period <b>TOTAL RESERVES AND SURPLUS</b>	       72,000 - 4,250,000  28,075,550 - 28,075,550  (79,788,113) (17,410,751) - - - (97,198,864) <b>(64,801,314)</b>	       72,000 - 4,250,000  28,075,550 - 28,075,550  (67,018,163) (12,769,950) - - - (79,788,113) <b>(47,390,563)</b>
3	<b>NON-CURRENT LIABILITIES</b> <b>LONG TERM BORROWINGS</b> Secured Borrowings 12 % Non-Convertible Redeemable Debentures ( Secured by Specific Assets covered under Hypothecation Loan Agreements- Redeemable at the end of 12 months. with an option to renew for a further period of 12 months)  <b>TOTAL LONG TERM BORROWINGS</b>	       16,150,000       16,150,000	       18,810,800       18,810,800
4	<b>LONG TERM PROVISIONS</b> Provision for Standard , Sub Standard & Non-Performing Assets Diminution in Investments	   34,235,334 68,032 <b>34,303,366</b>	   21,198,167 258,700 <b>21,456,867</b>



**INDO ASIA FINANCE LIMITED****2018-2019**

INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017

NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2019

NOTE NO.	PARTICULARS	As at	
		31.03.2019	31.03.2018
	CURRENT LIABILITIES		
5	SHORT-TERM BORROWINGS		
	Secured Borrowings		
	Loans and advances From Related Parties	32,958,542	25,964,585
	TOTAL SHORT TERM BORROWINGS	32,958,542	25,964,585
6	OTHER CURRENT LIABILITIES		
	Sundry Creditors for expenses	4,281,763	3,705,626
	Income-tax payable	4,280,875	3,664,819
	Other Payables	154,900	638,528
		8,723,400	8,008,973



**INDO ASIA FINANCE LIMITED**

**2018-2019**

**INDO ASIA FINANCE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT Mar 31, 2019**

**7 NON-CURRENT-TANGIBLE FIXED ASSETS AS AT 31.03.2019**

Sl. No	PARTICULARS	GROSS BLOCK (COST/VALUATION)			DEPRECIATION			As At 31.03.2018	As At 31.03.2019
		As At 31.03.2018	Additions	Disposals	As At 31.03.2019	Up to 31.03.2018	Charged during the Period TO P&L TO R&S	Disposals	Up to 31.03.2019
1	Land	2,281,105	-	-	2,281,105	-	-	-	2,281,105
2	Building	1,567,658	-	-	1,567,658	323,307	24,816	-	348,123
3	Plant & Machinery	966,850	-	-	966,850	766,037	60,350	-	826,387
4	Furniture & Fittings	5,233,322	-	-	5,233,322	4,036,644	326,053	-	4,362,707
5	Electrical Installation	236,464	-	-	236,464	236,464	-	-	236,464
6	Office Equipments	7,384,826	-	-	7,384,826	7,212,051	20,583	-	172,775
7	Computer Software	889,461	-	-	889,461	739,720	91,154	-	149,741
8	Vehicles	7,914,503	-	-	7,914,503	7,522,893	131,157	-	391,610
	<b>TOTAL</b>	<b>26,474,189</b>	<b>-</b>	<b>-</b>	<b>26,474,189</b>	<b>20,837,116</b>	<b>654,143</b>	<b>-</b>	<b>5,637,073</b>
									<b>4,982,930</b>

As per our report of even dated  
for RAJARATHINAM & ASSOCIATES  
FIRM REG. NO.: 0111355

PADAM J CHALLANI  
[MANAGING DIRECTOR]  
[DIN. NO.00052216]

Place: Chennai  
Date: 29.04.2019

LAKSHMI NARASIMHA RAO  
[DIRECTOR]  
[DIN. NO.01275880]

R. RAJARATHINAM  
PARTNER  
[M. NO: 020610]





**INDO ASIA FINANCE LIMITED**

2018-2019

INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017

**NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2019**

NOTE NO.	PARTICULARS	For the year ended 31.03.2019		For the year ended 31.03.2018	
		No. of shares	Amount in (Rs.)	No. of shares	Amount in (Rs.)
8	NON-CURRENT INVESTMENT				
	<i>(A) Trade Investments</i>		NIL		NIL
	<i>(B) OTHER INVESTMENTS</i>				
	Investment in Equity shares				
	1) Associates		NIL		NIL
	2) Others				
	Equity Shares fully paid-up				
	QUOTED-DEMAT				
	KOPRAN LIMITED	2,000	251,100	2,000	251,100
	HINUSTHAN UNILEVER LIMITED	10	1,000	10	1,000
	INDIAN BANK	696	63,336	696	63,336
	UMANG DAIRIES LIMITED	200	2,000	200	2,000
	WIM PLAST LTD.	400	2,000	200	2,000
	SubTotal A	3,306	319,436	3,106	319,436
	Less: Investment Sold During the Year				
	Equity Shares Fully Paid up				
	Hindustan Uniliver	(10)	(1,000)		
	Indian Bank	(696)	(63,336)		
	WIM Plast Limited	(400)	(2,000)		
	Sub total B	(1,106)	(66,336)		
	Total Quoted - Demat C (A-B)	2,200	253,100	3,106	319,436
	QUOTED -PHYSICAL				
	GNFC LTD.	266	2,660	266	2,660
	GRUH FINANCE LTD.	100	1,000	100	1,000
	Comp-U-Learntec india Ltd.	1,000	13,735	1,000	13,735
	Sub total D	1,366	17,395	1,366	17,395
	Total C+D	3,566	270,495	4,472	336,831
	UNQUOTED-DEMAT				
	COMPUTER POWER (INDIA) LTD.	25,000	25,000	25,000	25,000
	ONIDA FINANCE LIMITED	800	8,000	800	8,000
	Total	25,800	33,000	25,800	33,000
	Fixed Deposit				
	PNB CC Fixed Deposit				
	Total Investments in Equity Shares	29,366	303,495	30,272	369,831
	Investment in Government Securities		NIL		NIL
	TOTAL NON CURRENT INVESTMENTS		303,495		369,831
	Quoted Investments				
	Cost		270,495		336,831
	Market Value		202,463		779,565
	Provision Made for Diminutions in investment		68,032		258,700



INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017

**NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2019**

NOTE NO.	PARTICULARS	FOR THE YEAR ENDED	
		31.03.2019	31.03.2018
9	CASH AND CASH EQUIVALENTS		
	Balances with Banks		
	In Current Accounts	1,135,513	165,619
	In Un Claimed Dividend Account		
	Cash on hand	1,135,513	165,619
	<b>Total Cash &amp; Bank Balances</b>	<b>1,136,047</b>	<b>171,602</b>
10	SHORT TERM LOANS AND ADVANCES		
	Hypothecation Loans		
	Secured- Considered Good	2,606,156	16,558,752
	Secured- Considered Doubtful	34,223,726	21,198,166
		<b>36,829,882</b>	<b>37,756,919</b>
	Un Secured- Considered Good		
	Other Loans & Advances (Un secured- Considered Good )		
	To Other Debtors	102,249,078	102,249,078
	To Others		
	Security Deposits		
	Rental Advance	1,170,000	1,170,000
	Telephone /Electricity Deposits	101,232	105,830
	Deposits with Sales -tax Department	92,120	92,120
	Other Advances recoverable in Cash or in kind or Value to be received	12,485	28,000
		<b>103,624,915</b>	<b>103,645,028</b>
	<b>SHORT TERM LOANS AND ADVANCES - TOTAL</b>	<b>140,454,796</b>	<b>141,401,947</b>
11	OTHER CURRENT ASSETS		
	Prepaid Expenses- Insurance	12,819	-
	Income-tax Refund Receivable	4,000,000	4,000,000
	Advance & other Payment of Income Tax	21,007,683	21,008,798
	<b>OTHER CURRENT ASSETS</b>	<b>25,020,502</b>	<b>25,008,798</b>





**INDO ASIA FINANCE LIMITED**  
**NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017**

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2019**

NOTE No.	PARTICULARS	For the year ended	For the year ended
		31.03.2019	31.03.2018
12	<b>REVENUE FROM OPERATION</b> Interest Income on Hypothecation Loans Other Fee based services Franchise Operation	861,478	1,949,781
		861,478	1,949,781
13	<b>OTHER INCOME</b> Dividend Bad Debts Recovered Profit on sale of Investment	8,355 3,202,293 400,226	9,956 4,128,262
		3,610,874	4,138,218
14	<b>FINANCE COST</b> Interest Expenses Debentures	2,127,024	2,370,967
		2,127,024	2,370,967
15	<b>EMPLOYEE BENEFITS EXPENSES</b> Salaries, Allowances and Bonus Contribution to Provident Fund Contribution to ESI Contribution to Labour Welfare Fund Staff Welfare Expenses Staff Canteen Maintenance	2,715,892 19,692 - 470 2,500 -	3,260,408 28,259 1,795 - 46,953 126,791
		2,738,554	3,464,206



**INDO ASIA FINANCE LIMITED**

**2018-2019**

INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017

**NOTES RELATING TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2019**

NOTE NO.	PARTICULARS	For the year ended	For the year ended
		31.03.2019	31.03.2018
16	<b>OTHER EXPENSES</b>	1,350,000	1,350,000
	Rent	338,422	96,867
	Rates and Taxes	232,520	243,218
	Communication expenses	104,755	141,191
	Travelling and Conveyance	54,083	61,478
	Printing and Stationery	32,760	62,510
	Advertisement charges	8,200	161,000
	Business Promotion expenses	14,694	2,650
	Vehicle maintenance	322,032	242,034
	Electricity expenses	435,563	389,128
	Fees and Subscription	10,225	26,562
	Bank charges and Commission		
	Payment to Auditor:	50,000	50,000
	Audit Fees	-	28,485
	AGM & Meeting Expenses	175,629	347,128
	Professional and Consultation Fees	5,500	27,000
	Donations, Charity and Scholarship	90,000	25,000
	Directors remuneration & Sitting fees	-	2,700
	Discount allowed	-	3,646
	Pooja expenses	131,478	84,179
	Computer maintenance	74,205	171,241
	Repairs and Office maintenance	31,585	
	AGM Expenses	40,000	
	Documentation Charges	13,063	
	Expenses on Investment	2,170	1,099
	Miscellaneous Expenses		
		<b>3,516,883</b>	<b>3,517,116</b>
17	<b>PROVISIONS &amp; WRITE OFFS</b>	13,037,167	8,577,159
	Provision for Standard & Sub Standard assets	(190,668)	
	Less reversal of provision towards diminution in value of Investment	<b>12,846,499</b>	<b>8,577,159</b>





**INDO ASIA FINANCE LIMITED**

**2018-2019**

INDO ASIA FINANCE LIMITED

Schedule to the Balance Sheet for the period ended 31st March 2019 (as required in terms of paragraph 98B of Non-Banking Financial Companies Prudential Norms(Reserve Bank) Directions 2007)			
(Rs. in Lakhs)			
	Particulars	Amount out- standing	Amount overdue
	Liabilities side:		
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	161.50	0.00
	: Unsecured (other than falling within the meaning of public deposits)	0.00	0.00
	(b) Deferred Credits	0.00	0.00
	(c) Term Loans	0.00	0.00
	(d) Inter-corporate / KMP loans and borrowing	320.99	0.00
	(e) Commercial Paper	0.00	0.00
	(f) Public Deposits	0.00	0.00
	(g) Other Loans (Loan from Franchiser)	0.00	0.00
		482.49	0.00
(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	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	Particulars	Amount outstanding	
	Assets side:		
(3)	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
	(a) Secured		-
	(b) Unsecured		1036.25
(4)	Break up of Leased Assets and Stock on hire and hypothecation loans counting towards EL/HP activities		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease		0.00
	(b) Operating lease		0.00
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on Hire		368.30
	(b) Repossessed Assets		0.00
	(iii) Hypothecation loans counting towards EL/HP activities:		
	(a) Loans where assets have been repossessed		0.00
	(b) Loans other than (a) above		-



**INDO ASIA FINANCE LIMITED**

Schedule to the Balance Sheet for the period ended 31st March 2019  
[as required in terms of paragraph 9BB of  
Prudential Norms(Reserve Bank) Directions 2007]

(Rs. in Lak)

Particulars	Amount out- standing	Market Value
(5) Break-up of Investments:		
Current Investments :		
1. Quoted :		
(i) Shares: (a) Equity	0	0
(b) Preference		
(ii) Debentures and Bonds		
(iii) Units of mutual funds		
(iv) Government Securities		
(v) Others (Please specify)		
2. Unquoted :		
(i) Shares: (a) Equity	0	0
(b) Preference		
(ii) Debentures and Bonds		
(iii) Units of mutual funds		
(iv) Government Securities		
(v) Others (Please specify)		
Long Term investments:		
1. Quoted :		
(i) Shares: (a) Equity	2.70	2.02
(b) Preference	0	0
(ii) Debentures and Bonds		
(iii) Units of mutual funds		
(iv) Government Securities		
(v) Others (Bank Deposits)		
2. Unquoted :		
(i) Shares: (a) Equity	0.33	0.33
(b) Preference	0.00	0.00
(ii) Debentures and Bonds	0.00	0.00
(iii) Units of mutual funds	0.00	0.00
(iv) Government Securities	0.00	0.00
(v) Others - Bank Deposits	0.00	0.00
Total	3.03	2.35
Less: Provision for Diminution for long term investments	0.68	0.00
Total	2.35	2.35





**INDO ASIA FINANCE LIMITED**

**2018-2019**

INDO ASIA FINANCE LIMITED

[as required in terms of paragraph 9BB of  
Prudential Norms(Reserve Bank) Directions 2007]

(6)	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :	Amount net of provisions (Rs. in Lakhs)		
		Secured	Unsecured	Total
	1.Related Parties			
	(a) Subsidiaries	0.00	0.00	0.00
	(b) Companies in the same group	0.00	0.00	0.00
	(c) Other related parties	0.00	0.00	0.00
	2.Other than related parties	368.30	1036.25	1404.55
	Total	368.30	1036.25	1404.55

(7)	Investor group-wise classification of all investments ( current and long term) in shares and securities (both quoted and unquoted)	Market Value/Break up or fair value or NAV		Book Value (Net of Provisions)
		Category		
	1.Related Parties			
	(a) Subsidiaries	0.00		0.00
	(b) Companies in the same group	0.00		0.00
	(c) Other related parties	0.00		0.00
	2.Other than related parties	3.03		2.35
	Total	3.03		2.35

(8)	Other Information		2.35
		Particulars	Amount
	(i)	Gross Non-Performing Assets	
		(a) Related Parties	-
		(b) Other than related parties	342.24
	(ii)	Net Non-Performing Assets	
		(a) Related Parties	-
		(b) Other than related parties	-
	(iii)	Assets acquired in satisfaction of debt (During the year)	

As per our report of even dated

for RAJARATHINAM & ASSOCIATES

FIRM REG. NO.: 0111355

Padam J.Challani

[Managing Director]

[DIN. No: 00052216]

R. RAJARATHINAM  
PARTNER

[M. NO: 020610]

Date: 29.04.2019

Lakshmi Narasimha Rao  
[Director]

[DIN. No: 01275880]

**INDO ASIA FINANCE LIMITED****18. NOTES TO THE ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES:**

- a) These financial statements are prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 (the 'Act') shall continue to apply. Consequently, these financial statements are prepared to comply in all material aspects with the Accounting Standards notified under sub-section (3C) of Section 211 of the Act [Companies (Accounting Standards) Rules, 2006] and the other relevant provisions of the Companies Act, 2013.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

b) **Income Recognition:**

(i) Income from Hypothecation loan transaction is accounted on accrual basis as per the Internal Rate of Return method.

(ii) The company has followed prudential norms prescribed by the Reserve Bank of India in respect of income recognition, valuation of investments, capital adequacy and provisioning for non-performing assets. The Company has taken all possible steps for recovery of old dues. In fact the company has filed 187 suits for recovery in various courts. In some cases the suits have ended and court has to pass the final order for the encashment of security. However during the current year the company has been cautious in extending finance and limited their operation in the market. Since most of the debts have become non-performing the effective recovery/revenue from operations have come down substantially result in reduced income. All old recoveries against bad debts are accounted as other income.

c) **Expenditure:**

Expenses are accounted on accrual basis except in the case of bonus to employees and contingent liabilities, which are accounted in the year of payment. There has been considerable reduction in expenses on the following heads

1. Finance cost has come down from Rs.23.70 Lakhs to Rs.21.27 Lakhs. This is basically on account of interest paid on Debentures, which has been liquidated during the current year.

2. Employee benefits and expenses has decreased from Rs.34.64 Lakhs to Rs.27.38 Lakhs due to reduction in number of employees. The details furnished under schedule 16.

3. The provision for assets are provided as per RBI guide lines.

4. On account of losses no tax provision has been made.

d) **Fixed Assets:**

Fixed Assets are stated at historical cost less accumulated depreciation.

e) **Depreciation:**

Depreciation on owned assets have been provided under Straight Line Method at the rates prescribed in Schedule II of the Companies Act, 2013. Pursuant to schedule II of the Companies Act, 2013 the changes in the useful life of the assets are adjusted against reserves & surplus.

f) **Valuation of Investments:**

Long-term investments are stated at cost and provision for diminution in value, other than temporary, is considered wherever necessary. Current investments are valued at lower of cost and market value/net asset value.

g) **Internal Audits**

The Company has adequate system of Internal control and Internal audit. The reports are submitted on Monthly intervals and these reports are regularly reviewed by the Board and corrective action wherever necessary is taken by the Board.

h) **Taxes on Income:**

Provision for current tax is made after taking into consideration benefits admissible under provisions of Income Tax Act, 1961. Deferred Tax resulting from 'timing difference' between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future. While company has made provision for deferred tax no provision has been made for current tax on account of losses.



**i) Debenture Interest**

When compared with previous year there is reduction on account of repayment.

**j) Bad Debts Recovered**

During the current year due to efforts put in the Company has recovered a sum of Rs.32,02,293/- This has been accounted as Bad Debts Recovered and treated as income in our income statement. The above amount includes a sum of Rs.32,02,293/- towards bad debts written off during the Financial year 2014-2015. All possible steps have been taken including filing suit as well as bringing the parties for settlements by appointment of Arbitrator for early settlement. In most of the accounts we have succeeded for settlement through arbitrator. We expect substantial improvements during the coming years in this regard.

**k) Provision for Hypothecation Debts**

As per the norms applicable to NBFC we have made provisions at the rate of 0.40% for Standard assets, 50% for substandard assets and 30% for Secured Doubts full Assets and 100 % for unsecured doubtful assets . Wherever there are loss assets we have provided 100%. The total provision made is as under.

	Amount Outstanding	Provision Made as on 31.03.2019
Standard Assets	2,606,156	11,608
Doubts full Assets	34,223,726	34,223,726
<b>Total</b>	<b>36,829,882</b>	<b>34,235,334</b>

During the current year the company has restricted further advances and concentrated only on recoveries.

**L) Change of Category**

The Company has been granted NBFC License under Category A, which allows the Company to raise public deposits for funding. However the Company is in the process of change of category to B, since it has not raised any public deposits for the past five years.

**M) Statutory Liability**

The company has not defaulted in payment of TDS, Income Tax, Advance Tax, Provided fund, ESI and other statutory payments as of 31-03-2019.

**2 BALANCE SHEET****a) The company has issued secured redeemable Non Convertible Debentures redeemable at par at the end of one year, the detail thereof as under:**

Amount	Rate of Interest	Security
161.50 Lacs	12%	Floating Charge on the receivables from unencumbered Hire Purchase and Leasing Assets besides properties.

The company during the year has redeemed debentures to the extent of Rs.26.00 Lakhs. The Company has requested the debenture holders for time to redeem the debentures. The company is making payment of interest on debentures regularly.

- b) The stock on hire represents installments & other dues net of advance hire charges and the cost of repossessed assets.
- c) The sundry debtors and creditors balances are subject to confirmation and reconciliation.

**3 PROFIT AND LOSS ACCOUNT**

No provision has been made in the accounts for managerial remuneration . The directors of the company considering the present financial position have also expressed their desire not to take any remuneration from the company in the form of managerial remuneration

**a) Interest paid/credited to directors on Directors Loans." NIL " /- (previous year " NIL ").****b) Auditor's Remuneration**

	12 Months Ended 31.03.2019	12 Months Ended 31.03.2018
For Statutory Audit, Tax Audit , Limited Review, Certification & Other Services	Rs.56000/-	Rs.56,000/-



# INDO ASIA FINANCE LIMITED

2018-2019

## c) Remuneration to Whole Time Directors (including Managing Director) (in Rupees)

	12 Months Ended 31.03.2019	12 Months Ended 31.03.2018
Salary	-	-
Perquisites (Valued as per I.T Rules)	-	-
Sitting Fees	90,000	25,000
	90,000	25,000

d) i) Since no commission is paid/payable to any director, the computation of net profit in accordance with Section 198 of the companies Act, 2013 has not been made.

### GENERAL

a) Segmental Information: Company is operating on one broad segment namely Hypothecation Loans within the state of Tamilnadu and hence no separate segmental results have been given.

b) Earnings per share:	12 Months Ended 31.03.2019	12 Months Ended 31.03.2018
Profit for the year after taxation (in Rs.) A	(17,410,747)	(12,769,946)
Number of equity shares of Face Value of Rs.10/- each outstanding (in numbers)	9,000,000	9,000,000
Basic and diluted Earning Per Share (in Rs.) (A/B)	(1.93)	(1.42)

## c) Related Party Transactions:

As per Accounting Standard 18, issued by The Institute of Chartered Accountant of India, the disclosures of transactions with the related parties as defined in the accounting standard are given below:

List of Related Parties with whom transactions have taken place & relationship

SNO.	Name of the related party	Relationship	Remarks
1	Padam J Challen	Key Management	Managing Director
2	P Shobha	Relatives of Key Management Personnel	Relative of KMP
2	J Padamchand Huf	Relatives of Key Management Personnel	Relative of KMP

The nature and volume of transactions of the company during the year with the related parties are as follows: (Rupees in Lakhs)

Particulars	Associates	Key Management Personnel	Relative of Key Management Personnel
Managerial Remuneration	-	-	-
Rent Payments - J Padamchand Huf	-	-	-
Rent Payment - P Shobha	-	-	1.50
Un Secured Loan Payable (Outstanding)	310.02	10.96	4.50

## d) Dividend

During the current year the company has not declared any dividend due to losses and there is no liability in this regard.

## e) Contingent Liabilities:

S.No.	Particulars	12 Months Ended 31.03.2019	12 Months Ended 31.03.2018
1	Estimated amount of contracts remaining to be executed on Capital Account and not provided for	NIL	NIL
2	Sales Tax liability of Rs. 92,120/- fully covered by deposit with the department Rs.92,120/-	92,120	92,120

This amount of Deposit is to be claimed from Sales Tax Department since company is not assessable to Sales Tax.

- f) Earning in Foreign Currency : NIL  
g) Expenditure in Foreign Currency : NIL



**b) INCOME TAX AND TDS**

The company has pending assessments in various stages. In respect of some assessments the Company had gone on appeal and such appeals are pending. In respect of matters that have been decided in the Company's favour at Appellate/High Court levels, the Company is due to get refund. On the whole, the net position of income tax is likely to be in favor of the Company in the form of refund.

- i) As identified by management and relied upon by the auditors there is no amount due to Small Scale Industries in terms of 'The Micro, Small and Medium Enterprises Development Act, 2006'.
- j) Previous year figures are regrouped/reclassified/rearranged wherever necessary.
- k) Previous year figures are for the period of 12 months and current year figures are for the period of 12 months.

As per our report of even date attached  
For RAJARATHINAM & ASSOCIATES  
FIRM REG. NO.: 0111355

PRADYU J CHALLANI  
[MANAGING DIRECTOR]  
[DIN. NO: 00052216]

R. RAJARATHINAM  
PARTNER  
[M. NO: 020610]

LAKSHMI NARASIMHA RAO  
[DIRECTOR]  
[DIN. NO: 01275880]

Place: Chennai  
Date: 29.04.2019