



**INDO ASIA FINANCE LIMITED**

**30<sup>TH</sup> ANNUAL REPORT**

<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. KANNAN ASSOCIATES,</b> Chartered Accountant Firm Reg. No.: 001736S Membership No.: 022714 No. 21, Srinivasan Street, Mandavelli Chennai – 600028 Phone: 044- 24953069
<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

**NOTICE TO THE SHAREHOLDERS**

**NOTICE** is hereby given that the **Thirtieth** Annual General Meeting of the Members of **INDO ASIA FINANCE LIMITED** will be held on Saturday, 30<sup>th</sup> September, 2020 from 11.00 a.m. through Video Conferencing/ Other Audio Visual Means ("VC/OAVM") Facility 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, 2020 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 5 years 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, 2025, 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, 2021."

**"FURTHER RESOLVED THAT** Ms. 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**

7<sup>th</sup> September, 2020  
Chennai

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

**NOTES**

1. At the ensuing Annual General Meeting Mr. Padam J Challani retire by rotation and being eligible, offer himself for re-appointment.
2. Details of Director seeking reappointment at the 30th Annual General Meeting in pursuance of provisions of the Companies Act, 2013 & Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are given as an Annexure to the Notice.
3. The relevant Explanatory statements pursuant to sec 102(1) of the Companies Act, 2013 and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), which sets out material facts and reasons for the special business in item No. 4 of the accompanying notice is annexed hereto

**General instructions for accessing and participating in the 30<sup>th</sup> AGM through VC/OAVM Facility and voting through electronic means including remote e-Voting:**

In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 30<sup>th</sup> AGM of the Company is being conducted through VC/OAVM Facility and deemed venue of meeting will be the registered office of the Company. Please find hereunder the link, login id and password for participating in the 30<sup>th</sup> AGM through VC facility.

Topic: 30TH ANNUAL GENERAL MEETING OF INDO ASIA FINANCE LIMITED

Time: Sep 30, 2020 11:00 AM Mumbai, Kolkata, New Delhi

Zoom Meeting link

<https://zoom.us/j/92490094263?pwd=ZXpBVHZuZkw0bytzYlk0bGplMjVhZz09>

Meeting ID: 924 9009 4263

Passcode: 8mGu8E

4. As per the Companies Act, 2013, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf. Since the 30th AGM is being held through VC as per the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly,

the facility for appointment of proxies by the Members will not be made available for the 30<sup>th</sup> AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

5. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Corporate members intending to authorize their representatives to attend the Meeting are requested to send a scanned certified copy of the board resolution (pdf/jpeg format) authorizing their representative to attend and vote on their behalf at the Meeting. The said Resolution/Authorization shall be sent to the Company by email from its registered email address to [info@indoasiafinance.com](mailto:info@indoasiafinance.com)
7. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 ("the Act") and Register of Contracts or Arrangements in which directors are interested maintained under section 189 of the Act will be available electronically for inspection by the members during the time of AGM. However, for easy access, interested stakeholders shall send us a request for the same through email from its registered address to [info@indoasiafinance.com](mailto:info@indoasiafinance.com) on or before 15<sup>th</sup> September 2020.
8. In case of joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 20 September 2020 through email on [info@indoasiafinance.com](mailto:info@indoasiafinance.com). The same will be replied by the Company suitably. Documents referred to in this Notice will be made available for inspection as per applicable statutory requirements.
10. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website <https://www.indoasiafinance.com>, website of the Stock Exchange i.e. Bombay Stock Exchange Limited at [www.bse.in](http://www.bse.in) and on the website of CDSL i.e. [www.evotingindia.com](http://www.evotingindia.com).
11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for a long time. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified from time to time.
12. In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from 1 April 2019. In view of the above, Members are advised to dematerialize shares held by them in physical form.

**Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for remote e-voting for the resolutions proposed in this Notice**

i) For shareholders holding shares in physical form - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self- attested scanned copy of Aadhar Card) by email to Company/RTA's email ID at [info@indoasiafinance.com](mailto:info@indoasiafinance.com) or [investor@cameoindia.com](mailto:investor@cameoindia.com) respectively.

ii) For shareholders holding shares in dematerialised form - please provide Demat account details (CDSL16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name of shareholder, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company/RTA's email ID at [sreemaruthimarine@rediffmail.com](mailto:sreemaruthimarine@rediffmail.com) or [murali@cameoindia.com](mailto:murali@cameoindia.com) respectively.

iii) The Company/RTA shall co-ordinate with CDSL / NSDL and provide the login credentials to the aforesaid shareholders.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM**

1. Facility of joining the AGM through VC / OAVM shall open 15 minutes before the time scheduled for the AGM and will be available for Members on first come first served basis.
2. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e- voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed or in the website of the Company [www.indoasiafinance.com](http://www.indoasiafinance.com).
3. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
4. Further shareholders will be required to switch on the video facility and use Internet connection with a good speed to avoid any disturbance during the Meeting.
5. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to minimise / mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the Meeting may register themselves as a speaker by sending their request in advance between 15 September 2020

and 20 September 2020 mentioning their name, demat account number/folio number, email ID, mobile number at [info@indoasiafinance.com](mailto:info@indoasiafinance.com)

7. Members who need assistance before or during the AGM, or 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) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533, 022-23058542 / 43

#### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE MEETING**

1. Procedure for e-Voting on the day of the AGM is same as the Remote e-voting as mentioned above.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not cast their votes on the Resolutions through remote e-Voting and are not otherwise barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any votes are cast by shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the Meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the Meeting is available only to the shareholders attending the Meeting.
4. Shareholders who have voted through Remote e-Voting facility will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### **VOTING THROUGH REMOTE ELECTRONIC MEANS:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide member's facility to exercise their right to vote by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

The facility for voting, through e voting shall be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting.

### **E voting guidelines**

The instructions for shareholding voting electronically are as under:-

- i) The voting period begins on 27<sup>th</sup> September 2020 9.00 A.M. to 29<sup>th</sup> September 2020 5.00 P.M. During this period shareholders of the company holding shares either in physical form or in dematerialized form as on 20<sup>th</sup> September 2020 may cast their vote electronically. The e voting module shall be disabled by CDSL for voting thereafter.
- ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- iii) The shareholders should log on to the e-voting website: - [www.evotingindia.com](http://www.evotingindia.com).
- iv) Click on the shareholders.
- v) Now enter your user ID
  - a. For CDSL 16 digits beneficiary ID
  - b. For NSDL 8 character DP ID followed by 8 digits client ID
  - c. Members holding shares in physical form should enter folio number registered with the company.
- vi) Next enter the image verification as displayed and click on login.
- vii) If you are holding shares in demat form and had logged on to [www.evoting.com](http://www.evoting.com) and voted on an earlier voting of any company then you existing password is to be used.
- viii) If you are first time user follow the steps given below:-

<b>For members holding shares in Demat form and physical form</b>	
PAN:-	Enter your 10 digit alpha numeric pan issued by income tax department (Applicable for both demat and physical shareholders.)
	Members who have not updated their PAN



	<p>with the company/depository participant are requested to use the first two letters of their name and the 8 digit of the sequence number in the PAN field.</p> <p>In case the sequent 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.</p>
Dividend Bank details Or Date Of Birth ( Dob)	<p>Enter the dividend bank details or date of birth on dd/mm/yy format as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id/folio number in the dividend bank details field as mentioned instruction (iv)</p>

After entering these details appropriately, click on "SUBMIT" tab.

- x) 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.
- xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

- xiii) 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.
- xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xv) 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.
- xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. I Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

**(xv) 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 Corporates.
- ❖ 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 a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- ❖ The list of accounts linked in the login should be emailed 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 favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xxi) 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 [www.helpdesk.evoting@cdslindia.com](mailto:www.helpdesk.evoting@cdslindia.com)

#### **OTHER INSTRUCTIONS:**

I. Shareholders can update their mobile numbers and e-mail IDs (which may be used for sending future communication(s)) by writing to [-sofia@cameoindia.com](mailto:-sofia@cameoindia.com)

II. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 20 September 2020 may obtain the login ID and password by sending an email to [indoasiafinance.com](mailto:indoasiafinance.com) or [investor@cameoindia.com](mailto:investor@cameoindia.com) or [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) by mentioning their Folio No./DP ID and Client ID No.

III. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the Meeting.

IV. Mr. R. Alagar, Company Secretary (CP No. F4720) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting during the meeting in a fair and transparent manner.

V. The Scrutinizer shall, immediately after the conclusion of e-voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make a consolidated scrutinizer’s report of the total votes cast in favour or against, invalid votes, if any, and whether the resolutions have been carried or not, and such report shall then be sent to the Chairman or a person authorized by him, within 48 (forty eight) hours from the conclusion of the AGM, who shall then countersign and declare the result of the voting forthwith.

VI. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company at <https://www.inodasiafinance.com> and on the website of CDSL at [www.evoting.india.com](http://www.evoting.india.com) immediately after the declaration of results by the Chairman or a person authorized by him. The results shall also be immediately forwarded to the Bombay Stock Exchange, Mumbai.

VII. Members are requested to address all the correspondences, to the Registrar and Share Transfer Agents, M/s. Cameo Corporation Services Limited, No.1, Subramanian Building, Club House Road, Anna Salai, Chennai, Tamil Nadu - 600002

VIII. All communication relating to shares may be addressed to the Company at 15, New Giri Road, T.Nagar, Chennai - 600017.

IX. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2020 to 30th September, 2020 (both days inclusive).

E voting cut off date :- 20<sup>th</sup> September 2020

Remote E voting starts :- 27<sup>th</sup> September 2020, 9.00 A.M.

Remote E voting ends :- 29<sup>th</sup> September 2020 , 5.00 P.M.

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

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

<b>MANAGING DIRECTOR</b>	
<b>Name</b>	<b>Mr. Padam J Challani</b>
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**

7<sup>th</sup> September, 2020  
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 8<sup>th</sup> February 2020 under Section 196 & 203 of the Companies Act, 2013 for a period of 1 (One) year up to 31<sup>st</sup> March, 2021.

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**

7<sup>th</sup> September, 2020  
Registered Office  
No.15, New Giri Road,  
T. Nagar, Chennai- 17

## DIRECTORS' REPORT

To the Members,

The Directors have great pleasure in presenting their 30<sup>th</sup> Annual Report along with the audited financial statements for the financial year ended 31<sup>st</sup> March, 2020.

### FINANCIAL RESULTS

The Financial Results of the Company for the year ended 31<sup>st</sup> March, 2020 are summarized below:

Sl.No.	Particulars	Current F.Y.Ended 31 <sup>st</sup> March,2020	Previous F.Y.Ended 31 <sup>st</sup> March, 2019
(i)	Revenue from operations (net)	2,99,421	40,72,126
(ii)	Other Income	NIL	4,00,226
<b>(iii)</b>	<b>Total Income</b>	<b>2,99,421</b>	<b>44,72,352</b>
(iv)	Operating Expenditure	66,54,391	1,91,01,936
(v)	Profit before Interest, Depreciation and Amortisation and Tax	(63,54,970)	(1,46,29,584)
(vi)	Finance Costs (net)	19,38,000	21,27,024
(vii)	Depreciation and Amortisation	6,19,109	6,54,143
<b>(viii)</b>	<b>Profit before Taxes</b>	<b>(89,12,079)</b>	<b>(1,74,10,751)</b>
(ix)	Tax Expenses		
	a) Current Tax	NIL	NIL
	b) Deferred Tax	NIL	NIL
<b>(x)</b>	<b>Net Profit (or) Loss for the Year</b>	<b>(89,12,079)</b>	<b>(1,74,10,751)</b>
(xi)	Balance Brought Forward from Previous Year	NIL	NIL
<b>(e)</b>	<b>Balance carried to Balance Sheet</b>	<b>(89,12,079)</b>	<b>(1,74,10,751)</b>

### PERFORMANCE OF THE COMPANY

During the year, your Company registered a total income of Rs.2,99,421/- against that of the previous year Rs. 44,72,352/-.Your Company registered a Net Loss after Tax of Rs.89,12,079/- as compared to previous year Net Loss of Rs.1,74,10,751/-. Your Company has been successful in reducing expenses. With stepped up efforts in recovery, your Company is confident of improved performance in the ensuing year.

**CANCELLATION OF CERTIFICATE OF REGISTRATION**

The Reserve Bank of India (RBI) had issued a show cause notice in May 2019 asking your Company to show cause why the Company's certificate of registration should not be cancelled, primarily on account of shortfall in Net Owned Funds (NOF) which as per the calculation of RBI had fallen below the stipulated level of Rs. 2 crores. In its calculations, RBI had made certain deductions in the Company's Net Owned Funds (NOF) in respect of the share application money of Rs. 6 crores pending allotment and in respect of amount receivable from Shriram Transport Finance Co. Ltd. (STFCL) Rs. 10.22 crores, owing to which the NOF as per RBI's calculations had fallen below the stipulated minimum level of Rs. 2 crores.

Your Company had made extensive representations showing cause as to why the deductions ought not to be made, citing the approval expected from SEBI for the purposes of completing the preferential allotment on which the share application money would form part of issued share capital and the order of the Madras High Court accepting your Company's application and appointing an arbitrator for resolving the issues relating to amount receivable from STFCL which in turn justified the Company's stand of not making any provision for the said receivables.

To the Company's dismay the Company has received a letter from RBI, Chennai in July 2020 intimating the cancellation of the Company's Certificate of Registration. The Company has immediately taken appropriate steps by filing a writ petition in Madras High Court to legally address this situation. As on the date of this Report the said petition is pending decision.

The Company is also very hopeful that the associate of the Company will be receiving the approval soon from SEBI for the application for exemption from the provisions of the Takeover Code. In respect of proposed preferential allotment of Rs. 6 crores mentioned above, since the final hearing in this regard is over. On receipt of this approval, your Company can proceed with the preferential share allotment for Rs. 6 crores, removing a major issue which RBI has raised. This will also pave the way for your Company, notwithstanding and without prejudice to other legal remedies, to make a representation to RBI itself, seeking additional time to comply with the NOF stipulation as per RBI's calculations. In the current COVID situation, where both the Central Government and RBI have adopted a very lenient and proactive stance vis a vis banks, NBFCs, other lending institutions and borrowers, your Company is confident that it will succeed in its efforts to reinstate your Company's certificate of registration. It expects to be aided in this effort by the fact that it has clearly communicated to RBI that it is seeking only a category B registration i.e. in non-deposit-accepting category.

To summarize your Company is leaving no stone unturned in its efforts for the reinstatement and is very confident of being successful in its efforts.

**IMPACT OF COVID**

The current COVID 19 situation has severely affected all sectors of the economy. Industrial production and commerce, to which goods transport is inextricably linked has been hit hard. Demand for commercial vehicles has seen a huge drop. Both new and used commercial vehicles



continue to see very little demand though in the past 1 month there are small green shoots emerging in some States which are not so severely hit as the others. However, once the COVID 19 is behind us, your Company is expecting to see a catch up in the activity and fructification of pent up demand.

#### **DIVIDEND**

Since the Company has registered a net loss during the year, your Directors have not recommended any Dividend for the period ended 31.03.2020.

#### **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. As previously informed, the Company has repaid all earlier Deposits in June 2012. Your Company is taking steps to convert its status from Category A i.e. Deposit accepting Company to Category B, i.e. Non-Deposit accepting 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 Directors & KMPs during the year are tabled below:

<b>Name of Director/Key Managerial Personnel</b>	<b>Designation</b>	<b>Date of (Re)Appointment</b>	<b>Date of Resignation</b>
Mr. Padam J Challani	Managing Director	08/02/2020	N.A.
Mr. M. Kathiresan	Chief Financial Officer	14/08/2018	09/11/2019
Mrs. K. Manimozhi	Chief Financial Officer	09/11/2019	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, 2019 to 31<sup>st</sup> March, 2020 -Four Board Meetings were convened and held, the details of which are given below.

<b>Date of Board Meeting</b>	<b>Names of Directors who attended the meeting</b>
29 <sup>th</sup> April, 2019	Padam J Challani, N. Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar
10 <sup>th</sup> August, 2019	Padam J Challani, N. Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar
09 <sup>th</sup> November, 2019	Padam J Challani, N. Subramanian, Lakshmi Narasimha Rao, Swapna P Kochar
08 <sup>th</sup> February, 2020	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:

<b>Name of the Committee</b>	<b>Composition</b>	<b>Details of Meetings held during the year</b>
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>• 29<sup>th</sup> April 2019</li> <li>• 10<sup>th</sup> Aug, 2019</li> <li>• 09<sup>th</sup> Nov, 2019</li> <li>• 08<sup>th</sup> Feb, 2020</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 date:- <ul style="list-style-type: none"> <li>• 08<sup>th</sup> Feb 2020</li> </ul>
Independent Directors Meeting	*N Subramanian, *Lakshmi Narasimha Rao,	1 Meeting were held during the period on the following date:- <ul style="list-style-type: none"> <li>• 29<sup>th</sup> April 2019</li> </ul>

Nomination and Remuneration 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>• 29<sup>th</sup> April 2019</li> <li>• 10<sup>th</sup> Aug, 2019</li> <li>• 09<sup>th</sup> Nov, 2019</li> <li>• 08<sup>th</sup> Feb, 2020</li> </ul>
---------------------------------------	--	---

*\*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 31.03.2020		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	2	10	--	--
N. Subramanian	Non-Executive Independent Director	4	4	Yes	--	2	--	--
Lakshmi Narasimha Rao	Non-Executive Independent Director	4	4	Yes	--	3	1	2
Swapna P Kochar	Non-Executive Woman Director	4	4	Yes	--	4	--	--

### **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.

### **DETAILS OF POLICIES DEVELOPED BY THE COMPANY**

#### **(i) Nomination and Remuneration Policy**

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. The objective of this policy is to ensure

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- 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.

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. Kannan Associates (FRN No:001736S) Chennai, ended on 31<sup>st</sup> March 2020. Therefore the board proposes to re-appoint M/s Kannan Associates (FRN No:001736S) as the statutory auditors of the company, for a period of 5 years, at the Annual General Meeting to be held on 30/09/2020 to hold office till the conclusion of the A.G.M. to be held on 2025 for the Financial year ending 31<sup>st</sup> March, 2025.

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, 2020, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for the financial year 2020 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 web site of the Company is not updated with the events of the Company for long time and the name of the Company, which was changed to Indo Asia Finance Limited is not reflected in the web site as well as 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 Associate Company has also informed that the final hearing with SEBI in this regard has been completed and that it is confident of receiving approval shortly. 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 rectification.

**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. 1.02 Crores 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 Eight Lakh and Fifty Thousand 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 31.03.2020 = 4

#### Variations in Market Capitalization of the Company

The market capitalization of the Company as of 31<sup>st</sup> March, 2020 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, 2019 was:-

Number of Shares as on 31 <sup>st</sup> March, 2020	Closing price as of 31 <sup>st</sup> March, 2020 at BSE	Market Capitalization in Crores
90,00,000	3.72	3.34

#### Price earnings ratio

Price earnings ratio	As on 31.03.2020	As on 31.03.2019
P/E ratio	<b>-3.47</b>	<b>-1.62</b>

#### 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**

As informed above. The Reserve Bank of India has intimated the cancellation of certificate of registration of the Company against which the Company has filed a writ petition before Madras High Court, which is pending as on the date of this report. The Company expects to be successful in its efforts to reinstate its certificate of registration, as has been detailed above.

**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 31.03.2020 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 paid-up equity share capital of the company is less than Rs.10 Crores and the net worth 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.

**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**

7<sup>th</sup> September 2020  
Registered Office  
No.15, New Giri Road,  
T.Nagar, Chennai-17

**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 arm's 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

Name(s) of the related party and nature of relationship	(Rs. in Lakhs)	
	J Padamchand HUF	P. Shobha
	Relative of KMP	Relative of KMP
Nature of contracts / arrangements / transactions	Rent Paid	Rent Paid
Duration of the contracts / arrangements / transactions	2019-20	2019-20
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

**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**

7<sup>th</sup> September 2020  
Registered Office  
No.15, New Giri Road,  
T.Nagar, Chennai- 17

**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, 2020**

**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, 2020, 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, 2020 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, 2020:

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 Opinion 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:



- d) 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.
- e) As per SEBI Regulations, The web site of the Company is not updated with the events of the Company for long time and the name of the Company, which was changed to Indo Asia Finance Limited is not reflected in the web site as well as in the Stock Exchange records.
- f) 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
- 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: 27-07-2020

Signature:  
Name of Company Secretary: **R.Alagar**  
Membership.No.**F4720**  
C.P.No.**3913**  
**UDIN-F004720B000512986**

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

To,  
The Board of Directors  
**INDO ASIA FINANCE LIMITED**  
CIN- L65191TN1990PLC019060  
"Kaleeli Centre", Second Floor  
No.4, Montieth Road,  
Egmore, Chennai – 600008

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: 27-07-2020

Signature:  
Name of Company Secretary: **R.Alagar**  
Membership.No.**F4720**  
C.P.No.**3913**  
**UDIN-F004720B000512986**



**Annexure –II**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

**As on financial year ended on 31.03.2020**

**Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & 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-2019]				No. of Shares held at the end of the year[As on 31-March-2020]				% 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	4621999	26800	4648799	51.6533	4621999	26800	4648799	51.6533	0
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.	1300	0	1300	0.014	1300	0	1300	0.014	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>4623299</b>	<b>26800</b>	<b>4650099</b>	<b>51.6673</b>	<b>4623299</b>	<b>26800</b>	<b>4650099</b>	<b>51.6673</b>	<b>0</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>4623299</b>	<b>26800</b>	<b>4650099</b>	<b>51.6673</b>	<b>4623299</b>	<b>26800</b>	<b>4650099</b>	<b>51.6673</b>	<b>0</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.	28874	9600	38474	0.4275	26289	9600	35889	0.399	-0.03
b) Individuals -									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	583759	520200	1103959	12.2662	700067	615200	1315267	14.61	+2.35
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	2623548	152900	2776448	30.8494	2521491	45900	2567391	28.53	-2.32
c) Others (specify)									
Clearing Members									
Hindu Undivided Families	430062	0	430062	4.7784	430396	0	430396	4.78	0.002
Non Resident Indians	958	0	958	0.0106	958	0	958	0.0106	0
<b>Sub-total (B)(2):-</b>	<b>3667201</b>	<b>682700</b>	<b>4349901</b>	<b>48.3321</b>	<b>3679201</b>	<b>670700</b>	<b>4349901</b>	<b>48.3296</b>	<b>0</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>3667201</b>	<b>682700</b>	<b>4349901</b>	<b>48.3321</b>	<b>3679201</b>	<b>670700</b>	<b>4349901</b>	<b>48.3296</b>	<b>0</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>8290500</b>	<b>709500</b>	<b>9000000</b>	<b>100</b>	<b>8302500</b>	<b>697500</b>	<b>9000000</b>	<b>100</b>	<b>0</b>

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

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

SI 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 : PADAM J CHALLANI	4554154	50.6017	0.0000	4554154	50.6017	0.0000
2	SUMTHI A CHALLANI	60600	0.6733	0.0000	60600	0.6733	0.0000
3	AMARABAI J JT1 : JAYANTILAL R J	20700	0.2300	0.0000	20700	0.2300	0.0000
4	J HEMALATHA .	7245	0.0805	0.0000	7245	0.0805	0.0000
	HAVING SAME PAN						
4	HEMALATHA J	400	0.0044	0.0000	400	0.0044	0.0000
5	LALITHA J A JT1 : PADAM CHALLANI J	5700	0.0633	0.0000	5700	0.0633	0.0000
6	SARAVANA GLOBAL HOLDINGS LIMITED	1300	0.014	0.0000	1300	0.014	0.0000

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

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

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

		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Sl No	Name of the Share holder	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-2019	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2020	450000	5.0000	450000	5.0000
2	ABHISHEK CHOPRA				
	At the beginning of the year 01-Apr-2019	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2020	450000	5.0000	450000	5.0000
3	AASHISH CHOPRA				
	At the beginning of the year 01-Apr-2019	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2020	450000	5.0000	450000	5.0000
4	M PRAKASHCHAND JAIN				
	At the beginning of the year 01-Apr-2019	442200	4.9133	442200	4.9133
	At the end of the Year 31-Mar-2020	442200	4.9133	442200	4.9133
5	P KANTHA CHOPRA				
	At the beginning of the year 01-Apr-2019	435900	4.8433	435900	4.8433
	At the end of the Year 31-Mar-2020	435900	4.8433	435900	4.8433
	HAVING SAME PAN				
5	KANTHA CHOPRA				
	At the beginning of the year 01-Apr-2019	30	0.0003	30	0.0003
	At the end of the Year 31-Mar-2020	30	0.0003	30	0.0003



6	M. PRAKASHCHAND JAIN				
	At the beginning of the year 01-Apr-2019	374400	4.1600	374400	4.1600
	At the end of the Year 31-Mar-2020	374400	4.1600	374400	4.1600
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2019	1200	0.0133	1200	0.0133
	At the end of the Year 31-Mar-2020	1200	0.0133	1200	0.0133
	HAVING SAME PAN				
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2019	76897	0.8544	76897	0.8544
	At the end of the Year 31-Mar-2020	76897	0.8544	76897	0.8544
8	ALPANA BARDIA				
	At the beginning of the year 01-Apr-2019	65321	0.7257	65321	0.7257
	At the end of the Year 31-Mar-2020	65321	0.7257	65321	0.7257
9	SANGEETHA S				
	At the beginning of the year 01-Apr-2019	46800	0.5200	46800	0.5200
	At the end of the Year 31-Mar-2020	46800	0.5200	46800	0.5200
10	ANSUYA MAHESH SACHADE JT1 : MAHESH KHERAJ SACHADE				
	At the beginning of the year 01-Apr-2019	30000	0.3333	30000	0.3333
	At the end of the Year 31-Mar-2020	30000	0.3333	30000	0.3333
11	JAWARILAL PADAMCHAND CHALLANI				
	At the beginning of the year 01-Apr-2019	110100	1.2233	110100	1.2233
	At the end of the Year 31-Mar-2020	110100	1.2233	110100	1.2233

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

**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	1,61,50,000	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>	1,61,50,000	3,20,98,642	-	<b>4,82,48,642</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	61,26,809	-	61,26,809
* Reduction	-	-	-	-
<b>Net Change</b>	-	61,26,809	-	61,26,809
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,61,50,000	3,82,25,451	-	5,43,75,451
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	1,61,50,000	3,82,25,451	-	<b>5,43,75,451</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

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	10,000	Nil	Nil	10,000
2.	Mr. Lakshmi Narasimha Rao	10,000	Nil	Nil	10,000
Total (1)		20,000	Nil	Nil	20,000
Other Non-Executive Directors					
1.	Nil	Nil	Nil	Nil	Nil
Total (2)		Nil	Nil	Nil	Nil
Total (A) = ( 1 + 2 )		20,000	Nil	Nil	20,000
Total Managerial		20,000	Nil	Nil	20,000

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	2,40,000	4,20,000	6,60,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	2,40,000	4,20,000	6,60,000
	(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	2,40,000	4,20,000	6,60,000

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

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----



**INDEPENDENT AUDITORS' REPORT**

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

.

**REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS****OPINION**

We have audited the accompanying standalone financial statements of INDO ASIA FINANCE LIMITED (the "Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows ended on that date, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**BASIS FOR OPINION**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexure to Board's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

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

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. Based on the information and explanations provided to us as well as our review of the financial statement of the Company the provisions of the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 is not applicable to the Company.

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 and the statement of profit and loss 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 Ind AS specified under section 133 of the Act
- e) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- f) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;

- g) 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"**.
- h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position except recovery of debtors and other receivables.
  - 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 KANNAN ASSOCIATES  
Chartered Accountants  
(FRN : 001736S)

Date: 30.07.2020  
Place: Chennai

(Jaganatha Kannan)  
Proprietor  
M.No. 022714

**“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 2020, 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, sales tax, wealth tax, service 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, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March, 2020 for a period of more than six months from the date they became payable.

- (vii) The Company incurred a loss of Rs.88.87 Lakhs and the Cash Loss incurred by the company during the financial year amounts to Rs.78.25 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 informed that it has initiated plans to redeem the outstanding debentures.
- (xiii) The company has informed that it has taken up 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' with a view not to accept public deposits. 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 and other statutory liabilities in time and we observe that there is no default in this regard. However certain Income Tax proceeding are pending and according to the information and explanations given to us there is the net Income Tax Refund due to company. Hence 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 KANNAN ASSOCIATES  
Chartered Accountants  
(FRN : 001736S)

Date: 30.07.2020  
Place: Chennai

(Jaganatha Kannan)  
Proprietor  
M.No. 022714



**“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, 2020 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, 2020, based on Internal Audit Report which is reviewed by the board on monthly basis and action initiated wherever necessary.

For KANNAN ASSOCIATES  
Chartered Accountants  
(FRN : 001736S)

Date: 30.07.2020  
Place: Chennai

(Jaganatha Kannan)  
Proprietor  
M.No. 022714



**INDO ASIA FINANCE LIMITED**  
**NO.15, New Girdi Road, T Nagar, Chennai- 600 017**

**BALANCE SHEET**

*(All Amounts are in Indian Rupees unless Specifically Mentioned)*

PARTICULARS	Note No.	For the Period Ended		
		31-Mar-20	31-Mar-19	31-Mar-18
<b>ASSETS</b>				
<b>[a] Financial Assets</b>				
Cash and cash equivalents	5	1,07,122	11,36,047	1,71,603
Receivables				
(i) Other receivables	6	10,22,49,078	10,22,49,078	10,22,49,078
Loans	7	21,64,550	25,94,548	1,65,58,751
Investments	8	1,49,664	2,35,463	1,11,131
Other financial assets	9	13,75,837	13,75,837	13,95,950
<b>[b] Non-Financial Assets</b>				
Current Tax Assets	10	2,09,15,858	2,09,15,858	2,13,42,864
Deferred tax assets		42,61,415	42,61,415	42,61,415
Property, Plant & Equipment	11	43,63,152	49,24,353	54,87,332
Other Intangible Assets	11	671	58,577	1,49,741
Other Non-Financial Assets	12	12,771	12,819	1,115
<b>TOTAL ASSETS</b>		<b>13,56,00,117</b>	<b>13,77,63,995</b>	<b>15,17,28,980</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>[a] Financial liabilities</b>				
Payables				
(i) Other payables				
(a) Total outstanding dues of creditors	13	1,911	1,451	7,305
Debt securities	14	1,61,50,000	1,61,50,000	1,88,10,800
Borrowings (other than debt securities)	15	3,82,25,451	3,20,98,642	2,59,64,585
Other financial liabilities	16	21,53,278	20,79,062	21,72,071
<b>[b] Non-Financial Liabilities</b>				
Other Non-Financial Liabilities	17	27,82,868	22,36,150	21,64,778
<b>TOTAL LIABILITIES [a+b]</b>		<b>5,93,13,507</b>	<b>5,25,65,305</b>	<b>4,91,19,539</b>
<b>[c] Equity</b>				
Equity share capital	18	15,00,00,000	15,00,00,000	15,00,00,000
Other equity	19	(7,37,13,390)	(6,48,01,311)	(4,73,90,559)
<b>TOTAL EQUITY [c]</b>		<b>7,62,86,610</b>	<b>8,51,98,689</b>	<b>10,26,09,441</b>
<b>TOTAL LIABILITIES &amp; EQUITY [a+b+c]</b>		<b>13,56,00,117</b>	<b>13,77,63,994</b>	<b>15,17,28,980</b>

*Summary of Significant Accounting Policies are covered under Note 3*

*The Accompanying notes are an integral part of Financial Statements*

As per our report of even date

For KANNAN ASSOCIATES  
Chartered Accountants  
FRN : 001736S

(Jaganatha Kannan)  
Proprietor  
M.No. 022714

Padam J Chllani  
Managing Director  
DIN : 00052216

Lakshmi Narashimha Rao  
Director  
DIN : 01275880

Place : Chennai  
Date : 30.07.2020


**CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2020**

PARTICULARS		FOR THE YEAR ENDED 31-03-2020		FOR THE YEAR ENDED 31-03-2019	
<b>I CASH FLOW FROM OPERATING ACTIVITY</b>					
a.	Net profit before tax & Extraordinary item	(89,12,079)		(1,74,10,751)	
b.	Adjustment for non-cash & non-operating items				
	Add : Non-operating & Non-Cash Expenses				
	Depreciation debited to P&L A/c	6,19,109		6,54,143	
	Interest and Finance Charges	19,38,000		21,27,024	
	Provision and written off	4,42,902		1,28,46,499	
		(59,12,068)		(17,83,085)	
	Less : Non-Operating & Non-Cash income				
	Profit on Sale of Investments			(4,00,226)	
	Dividend	(1,962)		(8,355)	
c.	Operating Profit before Working Capital changes	(59,14,030)		(21,91,666)	
	Adjustment for working capital changes				
	- Decrease / (Increase) in working capital	6,94,335		13,34,962	
d.	Cash Generated from operations	(52,19,696)		(8,56,704)	
e.	Less : Taxes Paid	-		-	
i.	Income Taxes Paid			-	
f.	Cash Flow Before Extraordinary item	(52,19,696)		(8,56,704)	
g.	Extraordinary Item			-	
	Net Cash from Operating Activity	(52,19,696)	(52,19,696)	(8,56,704)	(8,56,704)
<b>II CASH FLOW FROM INVESTMENTS ACTIVITY</b>					
a.	Dividend Received	1,962		8,355	
b.	Sale of Investment			4,66,562	
	Net cash used in Investing activity	1,962	1,962	4,74,917	4,74,917
<b>III CASH FLOW FROM FINANCING ACTIVITY</b>					
a.	Repayment of borrowings	-		(26,60,800)	
b.	Proceeds from unsecured loans	61,26,809		61,34,057	
c.	Interest paid on Loan	(19,38,000)		(21,27,024)	
	Net Cash used in financing activity	41,88,809	41,88,809	13,46,233	13,46,233
<b>IV NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (I+II+III)</b>			(10,28,925)		9,64,446
<b>V Opening Cash &amp; Cash Equivalents</b>					
a.	Cash in Hand & Nationalized banks	11,36,047		1,71,601	
			11,36,047		1,71,601
<b>VI Closing balance of cash &amp; Cash Equivalents</b>			1,07,122		11,36,047
<b>Reconciliation</b>					
Closing balance of Cash & Cash Equivalents					
a.	Cash in Hand & Nationalized banks	1,07,122		11,36,047	
		NIL	1,07,122		11,36,047
Notes :					
a. Figures in brackets represents outflows.					
b. Previous year figures have been recast/restated wherever necessary.					
c. Gross effect given for item No. I(b) and III(d)					
for and on behalf of the Board					
for INDO ASIA FINANCE LIMITED					
PADAM J CHALLANI			As Per our Report of Even date		
[MANAGING DIRECTOR]			For KANNAN ASSOCIATES		
[DIN. NO:00052216]			Chartered Accountants		
			FRN : 0017365		
LAKSHMI NARASIMHA RAO			Jaganatha Kannan		
[DIRECTOR]			Proprietor		
[DIN. NO:01275880]			M.No. 022714		
Place : Chennai					
Date : 30.07.2020					

**INDO ASIA FINANCE LIMITED**  
**NO.15, New Giri Road, T Nagar, Chennai- 600 017**  
**Statement of Profit and Loss**

*(All Amounts are in Indian Rupees unless Specifically Mentioned)*

Particulars	Note No.	For the Year Ended	
		31-Mar-20	31-Mar-19
<b>[a] REVENUE FROM OPERATIONS</b>			
Interest income	20	2,97,459	8,61,478
Dividend income		1,962	8,355
Other Operating Income	21	-	32,02,293
		<b>2,99,421</b>	<b>40,72,126</b>
<b>[b] OTHER INCOME</b>			
Other Income	22	-	4,00,226
<b>TOTAL INCOME [a+b]</b>		<b>2,99,421</b>	<b>44,72,352</b>
<b>[c] EXPENSES</b>			
Finance cost	23	19,38,000	21,27,024
Fee and Commission Expense	24	12,76,865	6,11,192
Employee Benefits Expenses	25	25,64,056	27,38,554
Depreciation, Amortisation and Impairment	11	6,19,109	6,54,143
Provisions /Write offs		4,42,905	1,28,46,499
Other Expenses	26	23,70,566	29,05,691
<b>TOTAL EXPENSES [c]</b>		<b>92,11,500</b>	<b>2,18,83,103</b>
<b>[d] Loss before Tax [a+b-c]</b>		<b>(89,12,079)</b>	<b>(1,74,10,751)</b>
<b>[e] Tax Expense:</b>			
Current tax		-	-
Deferred tax		-	-
		-	-
<b>[f] Loss after Tax [d-e]</b>		<b>(89,12,079)</b>	<b>(1,74,10,751)</b>
<b>[g] Other Comprehensive Income</b>			
Items that will be reclassified to profit or loss		-	-
Items that will not be reclassified to profit or loss		-	-
<b>TOTAL OTHER COMPREHENSIVE INCOME [g]</b>		-	-
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR [h]</b>		<b>(89,12,079)</b>	<b>(1,74,10,751)</b>
<b>EARNINGS PER SHARE</b>			
Basic (Rs.)		(0.99)	(1.93)
Diluted (Rs.)		(0.99)	(1.93)

*Summary of Significant Accounting Policies are covered under Note 3*

*The Accompanying notes are an integral part of Financial Statements*

As per our report of even date  
For KANNAN ASSOCIATES  
Chartered Accountants  
FRN : 001736S

(Jaganatha Kannan)  
Proprietor  
M.No. 022714  
Place : Chennai  
Date : 30.07.2020

Padam J Chllani  
Managing Director  
DIN : 00052216

Lakshmi Narashimha Rao  
Director  
DIN : 01275880

**INDO ASIA FINANCE LIMITED**  
**NO.15, New Giri Road, T Nagar, Chennai- 600 017**  
**Notes Forming Part of Financial Statements**

*(All Amounts are in Indian Rupees unless Specifically Mentioned)*

**Note : 5 - Cash & Cash Equivalents**

Particulars	31-03-2020	31-03-2019	31-03-2018
Cash on hand	2,174	534	5,984
Balances with banks	1,04,948	11,35,513	1,65,619
<b>Total</b>	<b>1,07,122</b>	<b>11,36,047</b>	<b>1,71,603</b>

The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above.

**Note : 6 - Receivables**

Particulars	31-03-2020	31-03-2019	31-03-2018
(a) Other receivables			
Unsecured Considered Good	10,22,49,078	10,22,49,078	10,22,49,078
Less : Allowances for impairment loss			
<b>Total Other Receivables</b>	<b>10,22,49,078</b>	<b>10,22,49,078</b>	<b>10,22,49,078</b>

Other receivables includes an amount of Rs.1012.09 Lakhs, due from Shriram Transport Finance Co. Ltd. (STFCL) towards share of net revenue receivable under Franchise/Joint Venture/ Revenue Sharing agreements with STFCL. The matter is under arbitration through a High Court appointed Arbitrator. The Company's case is strong and it is expected that this amount will be realized.

**Note : 7 - Loans**

Particulars	At Amortised Cost		
	31-03-2020	31-03-2019	31-03-2018
(a) Term Loans	-	-	-
Less : Impairment Loss Allowance	-	-	-
	-	-	-
(b) Commercial Vehicle Finance	3,67,56,990	3,68,29,882	3,77,56,918
Less : Impairment Loss Allowance	3,45,92,440	3,42,35,334	2,11,98,167
	21,64,550	25,94,548	1,65,58,751
<b>TOTAL</b>	<b>21,64,550</b>	<b>25,94,548</b>	<b>1,65,58,751</b>
(c) Out of Above			
Secured			
Against Hypothecation of Vehicle	3,67,56,990	3,68,29,882	3,77,56,918
Less : Impairment Loss Allowance	3,45,92,440	3,42,35,334	2,11,98,167
	21,64,550	25,94,548	1,65,58,751
UnSecured	-	-	-
Less : Impairment Loss Allowance	-	-	-
	-	-	-
<b>TOTAL</b>	<b>21,64,550</b>	<b>25,94,548</b>	<b>1,65,58,751</b>
(d) Out of Above			
Loans in India			
(i) Public Sector Lending	-	-	-
Less : Impairment Loss Allowance	-	-	-
	-	-	-
(ii) Other Lending	3,67,56,990	3,68,29,882	3,77,56,918
Less : Impairment Loss Allowance	3,45,92,440	3,42,35,334	2,11,98,167
	21,64,550	25,94,548	1,65,58,751
Loans Outside India	-	-	-
<b>TOTAL</b>	<b>21,64,550</b>	<b>25,94,548</b>	<b>1,65,58,751</b>

**Summary of Loan by Stage Distribution**

Particulars	As at 31st March 2020		
	Stage 1	Stage 2	Stage 3
Gross Carrying Amount	-	27,03,651	3,40,53,339
Less : Impairment Loss Allowance	-	5,39,101	3,40,53,339
Net Carrying Amount	-	<b>21,64,550</b>	-

Particulars	As at 31st March 2019		
	Stage 1	Stage 2	Stage 3
Gross Carrying Amount	26,06,156	-	3,42,23,726
Less : Impairment Loss Allowance	11,608	-	34,22,726
Net Carrying Amount	<b>25,94,548</b>	-	<b>3,08,01,000</b>

Particulars	As at 31st March 2018		
	Stage 1	Stage 2	Stage 3
Gross Carrying Amount	-	-	3,77,56,918
Less : Impairment Loss Allowance	-	-	2,11,98,167
Net Carrying Amount	-	-	<b>1,65,58,751</b>

**Analysis of Changes in the gross carrying amount and correspondence ECL allowance in relation to loans is as follows**

As on the various reporting period, the carrying value of the loans are fully overdue for a period more to cover the stage 3 of the ECL determination, hence forth there was a certain recovery however no movement between the upscaling stages of the loans

**Note : 8 - Investments**

Particulars	At Amortised Cost		
	31-03-2020	31-03-2019	31-03-2018
(a) At Amortised Cost	-	-	-
(b) At fair value through other comprehensive income	-	-	-
(c) At fair value through Profit and Loss Account			
(i) Government Securities	-	-	-
(ii) Other Equity Instruments			
Equity Shares	1,49,664	2,35,463	1,11,131
	<b>1,49,664</b>	<b>2,35,463</b>	<b>1,11,131</b>
(d) At Cost			
Investment in Subsidiaries	-	-	-
<b>TOTAL</b>	<b>1,49,664</b>	<b>2,35,463</b>	<b>1,11,131</b>
Out of Above			
(a) In India	1,49,664	2,35,463	1,11,131
(b) Outside India	-	-	-
<b>TOTAL</b>	<b>1,49,664</b>	<b>2,35,463</b>	<b>1,11,131</b>

**Note : 9 - Other Financial Asset**

Particulars	31-03-2020	31-03-2019	31-03-2018
Security deposits			
Rental Advance	11,70,000	11,70,000	11,70,000
Telephone /Electricity Deposits	1,01,232	1,01,232	1,05,830
Deposits with Sales -tax Department	92,120	92,120	92,120
Other Advances recoverable in Cash or in kind or Value to be received	12,485	12,485	28,000
<b>Total</b>	<b>13,75,837</b>	<b>13,75,837</b>	<b>13,95,950</b>



**Note : 10 - Current Tax Asset**

Particulars	31-03-2020	31-03-2019	31-03-2018
Income Tax Net	2,09,15,858	2,09,15,858	2,13,42,864
<b>Total</b>	<b>2,09,15,858</b>	<b>2,09,15,858</b>	<b>2,13,42,864</b>

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.

**Note : 12 - Other Non- Financial Asset**

Particulars	31-03-2020	31-03-2019	31-03-2018
Prepaid Expenses	12,771	12,819	1,115
<b>Total</b>	<b>12,771</b>	<b>12,819</b>	<b>1,115</b>

**Note : 13 - Financial Liability - Other Payable**

Particulars	31-03-2020	31-03-2019	31-03-2018
(a) Other Payables			
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,911	1,451	7,305
<b>TOTAL</b>	<b>1,911</b>	<b>1,451</b>	<b>7,305</b>

**Note : 14 - Debt Securities**

Particulars	31-03-2020	31-03-2019	31-03-2018
(a) At Amortised Cost			
(i) Secured			
Privately placed redeemable non-convertible debentures	1,61,50,000	1,61,50,000	1,88,10,800
(ii) UnSecured	-	-	-
<b>TOTAL</b>	<b>1,61,50,000</b>	<b>1,61,50,000</b>	<b>1,88,10,800</b>
Out of Above			
(i) In India	1,61,50,000	1,61,50,000	1,88,10,800
(ii) Out of India	-	-	-
<b>TOTAL</b>	<b>1,61,50,000</b>	<b>1,61,50,000</b>	<b>1,88,10,800</b>

The debentures privately placed are NCDs. They were issued by way of 'Private Placement' six years ago and thereafter, our company has not issued any fresh NCDs. All NCDs yearly renewed and also the board of directors initiating appropriate action has secured the balance outstanding debentures by creating a floating charge against 2 immovable properties.

**Note : 15 - Borrowings other than Debt Securities**

Particulars	31-03-2020	31-03-2019	31-03-2018
(a) At Amortised Cost			
(i) Secured	-	-	-
(ii) UnSecured			
Borrowings from related parties	3,82,25,451	3,20,98,642	2,59,64,585
<b>TOTAL</b>	<b>3,82,25,451</b>	<b>3,20,98,642</b>	<b>2,59,64,585</b>
Out of Above			
(i) In India	3,82,25,451	3,20,98,642	2,59,64,585
(ii) Out of India	-	-	-
	<b>3,82,25,451</b>	<b>3,20,98,642</b>	<b>2,59,64,585</b>
<b>Party</b>	<b>Relationship</b>		
Padam J Challani	Managing Director		
Saravana Global Energy Limited	Associate Company		
Saravana Global Holdings Ltd.	Associate Company		



**Note : 16 - Other Financial Liabilities**

Particulars	31-03-2020	31-03-2019	31-03-2018
Salary Payable	21,28,278	20,79,062	21,72,071
Audit Fees Payable	25,000		
<b>TOTAL</b>	<b>21,53,278</b>	<b>20,79,062</b>	<b>21,72,071</b>

Salary Payable Include Remuneration payable Rs.18,65,873/- Related to Padam J Challani (Managing Director). Last 3 years there were no remuneration provided to Managing Director

**Note : 17 - Other Non- Financial Liabilities**

Particulars	31-03-2020	31-03-2019	31-03-2018
TDS Payable	1,42,118	1,54,900	6,38,528
Rent Payable	26,40,750	20,81,250	15,26,250
<b>TOTAL</b>	<b>27,82,868</b>	<b>22,36,150</b>	<b>21,64,778</b>

Rent Payable include the rental to be paid to related parties, Jawarilal Padam Chand HUF (Rs. 12500/- Per Month) - HUF Of Managerial Personnel  
Rent Payable include the rental to be paid to related parties, Mrs P. Shobha (Rs. 33750/- Per Month) - Wife of Managerial Personnel

**Note : 18 - Equity Share Capital**

Particulars	31-03-2020	31-03-2019	31-03-2018
<b>Authorised:</b>			
1,55,10,000 Equity Shares of Rs.10/- each	15,51,00,000	15,51,00,000	15,51,00,000
<b>Issued share capital</b>			
90,00,000(Previous year- 90,00,000 ) Equity Shares of Rs.10/- each	9,00,00,000	9,00,00,000	9,00,00,000
<b>Subscribed share capital</b>			
90,00,000(Previous year- 90,00,000 ) Equity Shares of Rs.10/- each	9,00,00,000	9,00,00,000	9,00,00,000
<b>Paid up (fully paid up) Share Capital</b>			
<b>Equity shares</b>			
90,00,000(Previous year- 90,00,000 ) Equity Shares of Rs.10/- each	9,00,00,000	9,00,00,000	9,00,00,000
Share Application Money	6,00,00,000	6,00,00,000	6,00,00,000
<b>TOTAL</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>	<b>15,00,00,000</b>

The Company has noted the Application under regulation 11(1) of SEBI (SAST) Regulations 2011, made by the associate company who has contributed the share application money, seeking exemption for open offer. The Company is closely pursuing the matter and will proceed with the allotment immediately on receipt of the approval for exemption from SEBI.

Equity Shares : The Company has one class of equity shares having a face value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

**Reconciliation of the shares outstanding at the beginning and at the end of the year**

Particulars	No.s	Amount
As at 01.04.2017	90,00,000	9,00,00,000
Movements during the year	-	-
As at 01.04.2018	<b>90,00,000</b>	<b>9,00,00,000</b>
As at 01.04.2018	90,00,000	9,00,00,000
Movements during the year	-	-
As at 01.04.2019	<b>90,00,000</b>	<b>9,00,00,000</b>
As at 01.04.2019	90,00,000	9,00,00,000
Movements during the year	-	-
As at 01.04.2020	<b>90,00,000</b>	<b>9,00,00,000</b>

**Details of Share Holders more than 5%**

Share Holder	Percentage of Shares held	No of Shares Held
Mrs. P Shobha	50.60%	45,54,154.00

**Note : 19 - Other Equity**

Particulars	31-03-2020	31-03-2019	31-03-2018
Reserve Fund as per RBI Act			
Balance at the beginning of the year	2,80,75,550	2,80,75,550	2,80,75,550
Movement during the year	-	-	-
Balance at the end of the year	2,80,75,550	2,80,75,550	2,80,75,550
Capital Reserve			
Balance at the beginning of the year	72,000	72,000	72,000
Movement during the year	-	-	-
Balance at the end of the year	72,000	72,000	72,000
General Reserve			
Balance at the beginning of the year	42,50,000	42,50,000	42,50,000
Movement during the year	-	-	-
Balance at the end of the year	42,50,000	42,50,000	42,50,000
Retained Earnings			
Balance at the beginning of the year	(9,71,98,861)	(7,97,88,109)	(6,70,18,159)
Movement during the year	(89,12,079)	(1,74,10,752)	(1,27,69,950)
Balance at the end of the year	(10,61,10,940)	(9,71,98,861)	(7,97,88,109)
<b>Total Other Equity</b>	<b>(7,37,13,390)</b>	<b>(6,48,01,311)</b>	<b>(4,73,90,559)</b>

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

**INDO ASIA FINANCE LIMITED**  
**NO.15, New Giri Road, T Nagar, Chennai- 600 017**

*(All Amounts are in Indian Rupees unless Specifically Mentioned)*

**Statement of Changes in Equity**

**Equity Share Capital**

Particulars	For the year ended	
	31-Mar-20	31-Mar-19
Balance at the Beginning of the Year	15,00,00,000	15,00,00,000
Changes in Equity during the Year	-	-
Balance at the end of the year	15,00,00,000	15,00,00,000

**Other Equity**

*For the year ending 31 March 2020*

Particulars	Note No.	Reserves & Surplus				Other Comprehensive Income
		Reserve Fund as per RBI Act	Capital Reserve	General Reserve	Retained Earnings	
Balance as at 31 March 2019	19	2,80,75,550	72,000	42,50,000	(9,71,98,861)	-
Profit after Tax					(89,12,079)	-
Transfer to reserve fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934		-	-	-	-	-
Balance as at 31 March 2020	19	2,80,75,550	72,000	42,50,000	(10,61,10,940)	-

*Summary of Significant Accounting Policies are covered under Note 3*

*The Accompanying notes are an integral part of Financial Statements*

As per our report of even date

For KANNAN ASSOCIATES

Chartered Accountants

FRN : 001736S

(Jaganatha Kannan)  
Proprietor  
M.No. 022714

Padam J Chllani  
Managing Director  
DIN : 00052216

Lakshmi Narashimha Rao  
Director  
DIN : 01275880

Place : Chennai  
Date : 30.07.2020

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

INDO ASIA FINANCE LIMITED  
 NO.15, New Girdi Road, T Nagar, Chennai- 600 017  
 Notes Forming Part of Financial Statements

**Note 11 : Statement of Property, Plant & Equipment**

(All Amounts are in Indian Rupees unless Specifically Mentioned)

S.No.	Particulars	Gross Block (Cost / Valuation)			DEPRECIATION					Net Block	
		As At	Additions	Disposals	As At	Up to	Charged during the Period	Disposals	Up to	As At	As At
		31.03.2019			31.03.2020	31.03.2019	TO P&L	TO R&S	31.03.2020	31.03.2019	31.03.2020
	<b>Tangibles</b>										
1	Land	22,81,105	-	-	22,81,105	-	-	-	-	22,81,105	22,81,105
2	Building	15,67,658	-	-	15,67,658	3,48,125	24,818	-	3,72,943	12,19,533	11,94,715
3	Plant & Machinery	9,66,850	-	-	9,66,850	8,26,387	60,350	-	8,86,737	1,40,463	80,113
4	Furniture & Fittings	52,33,322	-	-	52,33,322	43,62,707	3,26,063	-	46,88,770	8,70,615	5,44,552
5	Electrical Installatio	2,36,464	-	-	2,36,464	2,36,464	-	-	2,36,464	-	-
6	Office Equipments	73,84,826	-	-	73,84,826	72,32,633	18,803	-	72,51,436	1,52,193	1,33,390
7	Vehicles	79,14,504	-	-	79,14,504	76,54,060	1,31,167	-	77,85,227	2,60,444	1,29,277
		<b>2,55,84,729</b>	-	-	<b>2,55,84,729</b>	<b>2,06,60,376</b>	<b>5,61,201</b>	-	<b>2,12,21,577</b>	<b>49,24,353</b>	<b>43,63,152</b>
	<b>Intangibles</b>										
8	Computer Software	8,89,461	-	-	8,89,461	8,30,882	57,908	-	8,88,790	57,908	671
		<b>8,89,461</b>	-	-	<b>8,89,461</b>	<b>8,30,882</b>	<b>57,908</b>	-	<b>8,88,790</b>	<b>57,908</b>	<b>671</b>
	<b>TOTAL</b>	<b>2,64,74,190</b>	-	-	<b>2,64,74,190</b>	<b>2,14,91,258</b>	<b>6,19,109</b>	-	<b>2,21,10,367</b>	<b>49,82,261</b>	<b>43,63,823</b>

**Valuation :**

Fixed Assets are stated at historical cost less accumulated depreciation.

**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.

Summary of Significant Accounting Policies are covered under Note 3

The Accompanying notes are an integral part of Financial Statements

As per our report of even date

For KANNAN ASSOCIATES

Chartered Accountants

FRN : 001736S

(Jaganatha Kannan)  
 Proprietor  
 M.No. 022714

Padam J Chllani  
 Managing Director  
 DIN : 00052216

Lakshmi Narashimha Rao  
 Director  
 DIN : 01275880

Place : Chennai  
 Date : 30.07.2020

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

**INDO ASIA FINANCE LIMITED**  
**NO.15, New Giri Road, T Nagar, Chennai- 600 017**  
**Notes Forming Part of Financial Statements**  
*(All Amounts are in Indian Rupees unless Specifically Mentioned)*

**Note : 20 - Interest Income**

Particulars	Financial Assets - Measures at Amortized Cost	
	31-03-2020	31-03-2019
Interest on Loan	2,97,459	8,61,478
<b>Total</b>	<b>2,97,459</b>	<b>8,61,478</b>

**Note : 21 - Other Operating Income**

Particulars	31-03-2020	31-03-2019
Bad Debts Recovered	-	32,02,293
<b>Total</b>	<b>-</b>	<b>32,02,293</b>

**Note : 22 - Other Income**

Particulars	31-03-2020	31-03-2019
Profit on Sale of Investment	-	4,00,226
<b>Total</b>	<b>-</b>	<b>4,00,226</b>

**Note : 23 - Finance Cost**

Particulars	31-03-2020	31-03-2019
Interest Paid on Debt Securities Debentures _ On Financial liabilities measured at amortised cost	19,38,000	21,27,024
<b>Total</b>	<b>19,38,000</b>	<b>21,27,024</b>

**Note : 24 - Fee & Commission Expense**

Particulars	31-03-2020	31-03-2019
Fees and Subscription	5,35,306	4,35,563
Professional and Consultation Fees	7,41,559	1,75,629
<b>Total</b>	<b>12,76,865</b>	<b>6,11,192</b>

**Note : 25 - Employee Benefit Expenses**

Particulars	31-03-2020	31-03-2019
Salaries, other allowance and bonus	25,38,084	27,15,892
Contribution to provident and other funds	21,022	19,692
Staff welfare expenses	4,800	2,500
Contribution to Labour Welfare Fund	150	470
<b>Total</b>	<b>25,64,056</b>	<b>27,38,554</b>

**Note : 26 - Other Expenses**

Particulars	31-03-2020	31-03-2019
Rent	13,50,000	13,50,000
Rates and Taxes	18,494	3,38,422
Communication expenses	2,73,558	2,32,520
Travelling and Conveyance	42,551	1,04,755
Printing and Stationery	16,094	54,083
Advertisement charges	52,992	32,760
Business Promotion expenses	-	8,200
Vehicle maintenance	2,000	14,694
Electricity expenses	2,89,264	3,22,032
Bank charges and Commission	1,364	10,225
Audit Fees	25,000	50,000
AGM & Meeting Expenses	65,956	31,585
Donations, Charity and Scholarship	4,000	5,500
Directors remuneration & Sitting fees	80,000	90,000
Computer maintenance	31,250	1,31,478
Repairs and Office maintenance	24,708	74,205
Documentation Charges	62,331	40,000
Expenses on investment	-	13,063
Insurance expenses	12,819	
Miscellaneous Expenses	18,185	2,170
<b>Total</b>	<b>23,70,566</b>	<b>29,05,691</b>

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----

**INDO ASIA FINANCE LIMITED**  
**NO.15, New Giri Road, T Nagar, Chennai- 600 017**  
**Notes Forming Part of Financial Statements**

*(All Amounts are in Indian Rupees unless Specifically Mentioned)*

**Note : 27 - Earnings Per Share**

Basic EPS is calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

Diluted EPS is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares of the Company.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	31-03-2020	31-03-2019
(a) Net Profit attributable to equity Share holders	(89,12,079)	(1,74,10,751)
(b) Weighted average number of equity shares for basic earnings per share	90,00,000	90,00,000
Effect of Dilution	-	-
(c) Weighted average number of equity shares for diluted earnings per share	90,00,000	90,00,000
Earnings Per Share (Basic) (A/B)	(0.99)	(1.93)
Earnings Per Share (Diluted) (A/C)	(0.99)	(1.93)

**Note : 28 - Segmental Information**

The Company operates in a single reportable segment i.e. financing, since the nature of the loans are exposed to similar risk and return profiles hence they are collectively operating under a single segment. The Company operates in a single geographical segment i.e. domestic.

**Note : 29 - Leasing Commitments**

The Company's significant leasing arrangements are in respect of operating leases for premises which are renewable on mutual consent at agreed terms. Certain agreements provide for cancellations by either party or certain agreements contains clause for escalation of lease payments. The non-cancellable operating lease agreements are ranging from 36 to 60 months. There are no sub-leases.

An amount of Rs.13.50 Lakhs (Previous year Rs.13.50 Lakhs) has been charged as lease payments to the Statement of Profit and Loss.

The total future minimum lease rentals payable at the Balance Sheet date for non-cancellable portion of the leases are as under:

Particulars	31-03-2020	31-03-2019
Minimum Lease Obligations:		
Not Later than one year	13,50,000	13,50,000
Later than one year but not later than five	67,50,000	67,50,000
Later than five years	-	-

**Note : 30 - Unhedged Foreign Currency Exposure**

The Company operates in domestic area and does not involve any foreign currency. Hence the company does not have any foreign currency exposure

**Note : 31 - Disclosure of related party transaction**

Name	Relationship	Naure of transaction
Jawarilal Padam Chand HUF	Relative of KMP	Rental Payment
Mrs. P Shobha	Relative of KMP	Rental Payment
Padam J Challani	KMP	Remuneration
Saravana Global Energy Limited	Associate Company	Loans & Advances
Saravana Global Holdings Ltd.	Associate Company	Loans & Advances

Particulars	31-03-2020	31-03-2019
<b>Expenses</b>		
Rental Payment _ Jawarilal Padam Chand	1,50,000	1,50,000
Rental Payment _ Mrs. P Shobha	4,05,000	4,05,000
Loan Received		
Associate Company	61,26,809	61,34,057
<b>Payable</b>		
Director Remuneration Payable	18,65,873	18,65,873
Saravana Global Energy Limited	1,66,889	1,66,889
Saravana Global Holdings Ltd.	3,69,62,243	3,08,35,434

Related parties as defined under clause 9 of the Ind AS 24 'Related party disclosures' have been identified based on representations made by key managerial personnel and information available with the Company. All above transactions are in the ordinary course of business and on an arms' length basis. All outstanding balances are to be settled in cash and are unsecured except secured non-convertible debentures issued to related parties which are disclosed appropriately.

**Note : 32 - Capital**

The Company actively manages its capital base to cover risks inherent to its business and meet the capital adequacy requirement of RBI. The adequacy of the Company's capital is monitored using, among other measures, the regulations issued by RBI.

**(i) Capital management**
**Objective**

The Company's objective is to maintain appropriate levels of capital to support its business strategy taking into account the regulatory, economic and commercial environment. The Company aims to maintain a strong capital base to support the risks inherent to its business and growth strategies. The Company endeavours to maintain a higher capital base than the mandated regulatory capital at all times.



### Planning

The Company's assessment of capital requirement is aligned to its planned growth which forms part of an annual operating plan which is approved by the Board and also a long range strategy. These growth plans are aligned to assessment of risks— which include credit, liquidity and interest rate.

The Company monitors its capital to risk-weighted assets ratio (CRAR) on a monthly basis through its Assets Liability

### Management Committee (ALCO)

The Company endeavours to maintain its CRAR higher than the mandated regulatory norm.

Accordingly, increase in capital is planned well in advance to ensure adequate funding for its growth.

The Company's dividend distribution policy states that subject to profit, the Board shall endeavour to maintain a dividend payout (including dividend distribution tax) of around 15% of profits after tax on standalone financials, to the extent possible.

### Regulatory Capital

Particulars	31-03-2020	31-03-2019
Tier I Capital	720.51	809.38
Tier II Capital	-	-
	720.51	809.38
Risk Weighted Assets (RWA)	1,107.50	1,383.11
Tier I CRAR	65.06	58.52
Tier II CRAR	-	-

Particulars	31-03-2019	31-03-2018
Tier I Capital	809.38	984.34
Tier II Capital	-	-
	809.38	984.34
Risk Weighted Assets (RWA)	1,383.11	468.72
Tier I CRAR	58.52	210.01
Tier II CRAR	-	-

### Note : 33 - Events after reporting date

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

**Note : 34 - Fair Values**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price), regardless of whether that price is directly observable or estimated using a valuation technique.

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques. This note describes the fair value measurement of both financial and non-financial instruments.

**Valuation framework**

The Company has an internal fair value assessment team which assesses the fair values for assets qualifying for fair valuation.

The Company's valuation framework includes:

1. Benchmarking prices against observable market prices or other independent sources;
2. Development and validation of fair valuation models using model logic, inputs, outputs and adjustments.

These valuation models are subject to a process of due diligence and validation before they become operational and are continuously calibrated. These models are subject to approvals by various functions including risk, treasury and finance functions. Finance function is responsible for establishing procedures, governing valuation and ensuring fair values are in compliance with accounting standards.

Fair values of financial assets, other than those which are subsequently measured at amortised cost, have been arrived at as under:

Fair Value of investments held in the long run by the entity for which the company has adopted to value the same to fair value through Profit and Loss Account as the same is not having a more effect on the financial position of the entity

The Company has determined that the carrying values of cash and cash equivalents, bank balances, trade receivables, short term loans, floating rate loans, investments in equity instruments designated at FVOCI, trade payables, short term debts, borrowings, bank overdrafts and other current liabilities are a reasonable approximation of their fair value and hence their carrying value are deemed to be fair value.

**Note : 34 - Risk Management objectives and Policies**

A summary of the major risks faced by the Company, its measurement monitoring and management are described as under:

**Liquidity Risk**

Liquidity risk arises from mismatches in the timing of cash flows.

Funding risk arises:

1. when long term assets cannot be funded at the expected term resulting in cashflow mismatches;
2. Amidst volatile market conditions impacting sourcing of funds from banks and money markets

The company actively measures the gap and holds meetings to mitigate and overcome this risk factor. A separate responsibility is held with the treasury team which oversees and manages this risk

**Interest Rate Risk**

Interest rate risk stems from movements in market factors, such as interest rates, credit spreads which impacts investments, income and the value of portfolios.

**Interest rate risk is:**

1. measured using Valuation at Risk ('VaR'), and modified duration analysis and other measures, including the sensitivity of net interest income.
2. Monitored by assessment of probable impacts of interest rate sensitivities under simulated stress test scenarios given range of probable interest rate movements on both fixed and floating assets and liabilities.

The same is managed by the Company's treasury team under the guidance of ALCO.

**Credit Risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company

**Credit risk is:**

1. Measured as the amount at risk due to repayment default of a customer or counterparty to the Company. Various matrices such as EMI default rate, overdue position, collection efficiency, customers non performing loans etc. are used as leading indicators to assess credit risk.
2. Monitored by Risk Management Committee using level of credit exposures, portfolio monitoring, repurchase rate, bureau data of portfolio performance and industry, geographic, customer and portfolio concentration risks.
3. Managed by a robust control framework by the risk department which continuously align credit policies, obtaining external data from credit bureaus and reviews of portfolios and delinquencies by senior and middle.

Management team comprising of risk, analytics, collection and fraud containment along with business. The same is periodically reviewed by the Board appointed Risk Management Committee.

**Credit risk**

Credit risk is the risk of financial loss arising out of a customer or counterparty failing to meet their repayment obligations to the Company. The Company assesses the credit quality of all financial instruments that are subject to credit risk.

Classification of financial assets under various stages

The Company classifies its financial assets in three stages having the following characteristics:

Stage 1: unimpaired and without significant increase in credit risk since initial recognition on which a 12 month allowance for ECL is recognised;

Stage 2: a significant increase in credit risk since initial recognition on which a lifetime ECL is recognised;

Stage 3: objective evidence of impairment, and are therefore considered to be in default or otherwise credit impaired on which a lifetime ECL is recognised.

Unless identified at an earlier stage, all financial assets are deemed to have suffered a significant increase in credit risk when they are 30 days past due (DPD) and are accordingly transferred from stage 1 to stage 2. For stage 1 an ECL allowance is calculated based on a 12 month Point in Time (PIT) probability weighted probability of default (PD).

For stage 2 and 3 assets a life time ECL is calculated based on a lifetime PD. The Company has calculated ECL using three main components: a probability of default (PD), a loss given default (LGD) and the exposure at default (EAD) along with an adjustment considering forward macro economic conditions

For a detailed note for methodology of computation of ECL please refer to significant accounting policies to the financial statements. Financial instruments other than loans were subjected to simplified ECL approach under Ind AS 109 'Financial Instruments' and accordingly were not subject to sensitivity of future economic conditions.

**Note : 35 - First Time Adoption of Ind As**

These are the Company's first financial statements prepared in accordance with Ind AS.

The Company has prepared its Ind AS compliant financial statements for year ended on 31 March 2020, the comparative period ended on 31 March 2019 and an opening Ind AS Balance Sheet as at 1 April 2018 (the date of transition), as described in the summary of significant accounting policies.

This note explains the principal adjustments made by the Company in restating its previous GAAP financial statements, including the Balance Sheet as at 1 April 2018 and the financial statements as at and for the year ended 31 March 2019.

For periods ended up to the year ended 31 March 2019, the Company had prepared its financial statements in accordance with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Previous GAAP).

**Mandatory Exceptions**

The Company has adopted all relevant mandatory exceptions set out in Ind AS 101 which are as applicable to the entity, further to the adoption the company has not made any significant adjustments or reclassification which has effected the opening reserves of the entity directly. Due to such Non effect there is no reconciliation of the previous GAAP provisions and IND AS Provisions effecting the reserves of the entity

**Optional Exceptions****Lease Contracts**

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement.

Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be material.

The Company has elected to apply this exemption for such contracts/arrangements.

There are no material adjustments on transition to Ind AS in the Statement of Cash Flows for the year ended 31 March 2018.

**Note : 36**

Amounts less than Rs. 50,000 have been shown at actuals against respective line items statutorily required to be disclosed.

INDO ASIA FINANCE LIMITED  
 NO.15, New Girdi Road, T Nagar, Chennai- 600 017  
 Note 34 : Risk management objectives and policies

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

(All Amounts are in Indian Rupees unless Specifically Mentioned)

PARTICULARS	For the Period Ended								
	31-Mar-20	Within 12 Months	After 12 Months	31-Mar-19	Within 12 Months	After 12 Months	31-Mar-18	Within 12 Months	After 12 Months
<b>ASSETS</b>									
<b>[a] Financial Assets</b>									
Cash and cash equivalents	1,07,122	1,07,122	-	11,36,047	11,36,047	-	1,71,603	1,71,603	-
Receivables									
(i) Other receivables	10,22,49,078	10,22,49,078		10,22,49,078	10,22,49,078	-	10,22,49,078	10,22,49,078	-
Loans	21,64,550	-	21,64,550	25,94,548	-	25,94,548	1,65,58,751	-	1,65,58,751
Investments	1,49,664	-	1,49,664	2,35,463	-	2,35,463	1,11,131	-	1,11,131
Other financial assets	13,75,837	13,75,837	-	13,75,837	13,75,837	-	13,95,950	13,95,950	-
<b>[b] Non-Financial Assets</b>									
Current Tax Assets	2,09,15,858	2,09,15,858	-	2,09,15,858	2,09,15,858	-	2,13,42,864	2,13,42,864	-
Deferred tax assets	42,61,415	-	42,61,415	42,61,415	-	42,61,415	42,61,415	-	42,61,415
Property, Plant & Equipment	43,63,152	-	43,63,152	49,24,353	-	49,24,353	54,87,332	-	54,87,332
Other Intangible Assets	671	-	671	58,577	-	58,577	1,49,741	-	1,49,741
Other Non-Financial Assets	12,771	12,771	-	12,819	12,819	-	1,115	1,115	-
<b>TOTAL ASSETS</b>	<b>13,56,00,117</b>	<b>12,46,60,665</b>	<b>1,09,39,452</b>	<b>13,77,63,995</b>	<b>12,56,89,639</b>	<b>1,20,74,356</b>	<b>15,17,28,980</b>	<b>12,51,60,610</b>	<b>2,65,68,370</b>
<b>LIABILITIES AND EQUITY</b>									
<b>LIABILITIES</b>									
<b>[a] Financial liabilities</b>									
Payables									
(i) Other payables									
(a) Total outstanding dues of creditors	1,911	1,911	-	1,451	1,451	-	7,305	7,305	-
Debt securities	1,61,50,000	1,61,50,000	-	1,61,50,000	1,61,50,000	-	1,88,10,800	1,88,10,800	-
Borrowings (other than debt securities)	3,82,25,451	-	3,82,25,451	3,20,98,642	-	3,20,98,642	2,59,64,585	-	2,59,64,585
Other financial liabilities	21,28,278	21,28,278	-	20,79,062	20,79,062	-	21,72,071	21,72,071	-
<b>[b] Non-Financial Liabilities</b>									
Other Non-Financial Liabilities	27,82,868	27,82,868	-	22,36,150	22,36,150	-	21,64,778	21,64,778	-
<b>TOTAL LIABILITIES [a+b]</b>	<b>5,92,88,507</b>	<b>2,10,63,057</b>	<b>3,82,25,451</b>	<b>5,25,65,305</b>	<b>2,04,66,663</b>	<b>3,20,98,642</b>	<b>4,91,19,539</b>	<b>2,31,54,954</b>	<b>2,59,64,585</b>
<b>[c] Equity</b>									
Equity share capital	15,00,00,000	-	15,00,00,000	15,00,00,000	-	15,00,00,000	15,00,00,000	-	15,00,00,000
Other equity	(7,36,88,390)	-	(7,36,88,390)	(6,48,01,311)	-	(6,48,01,311)	(4,73,90,559)	-	(4,73,90,559)
<b>TOTAL EQUITY [c]</b>	<b>7,63,11,610</b>	-	<b>7,63,11,610</b>	<b>8,51,98,689</b>	-	<b>8,51,98,689</b>	<b>10,26,09,441</b>	-	<b>10,26,09,441</b>
<b>TOTAL LIABILITIES &amp; EQUITY [a+b+c]</b>	<b>13,56,00,117</b>	<b>2,10,63,057</b>	<b>11,45,37,060</b>	<b>13,77,63,994</b>	<b>2,04,66,663</b>	<b>11,72,97,331</b>	<b>15,17,28,980</b>	<b>2,31,54,954</b>	<b>12,85,74,026</b>

Summary of Significant Accounting Policies are covered under Note 3  
 The Accompanying notes are an integral part of Financial Statements

As per our report of even date

For KANNAN ASSOCIATES

Chartered Accountants

FRN : 0017365

(Jaganatha Kannan)  
 Proprietor  
 M.No. 022714

Padam J Chhani  
 Managing Director  
 DIN : 00052216

Lakshmi Narashimha Rao  
 Director  
 DIN : 01275880

Place : Chennai  
 Date : 30.07.2020

Date : 30.07.2020  
 Place : Chennai

Date : 30.07.2020  
 Place : Chennai

-----THIS SPACE IS INTENTIONALLY LEFT BLANK-----