

Indus Finance Limited

(Formerly known as INDUS FINANCE CORPORATION LIMITED)

CIN : L65191TN1992PLC022317

E-mail : contact@indusfinance.com

30th May, 2019

To

Bombay Stock Exchange Limited

Registered Office: Floor 25,
P J Street, Dalal Street,
Mumbai – 400 001.

Dear Sir/ Madam

Sub: Indus Finance Ltd – Outcome of the Board Meeting held on 30th May 2019.

We wish to inform you that the Board of Directors of Indus Finance Ltd, at its Board Meeting held on 30th May 2019 has approved the Audited Financial Results for the quarter and financial year ended 31st March 2019.

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements – Regulations 2015), we enclose the following:

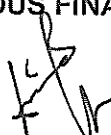
1. Audited financial results for the quarter and financial year ended 31st March, 2019.
2. Auditor's Report on the Audited financial results issued by the statutory Auditor M/s. V.Ramaratnam & Co. Chennai
3. Statement on Impact of Audit Qualification.

This is for your records.

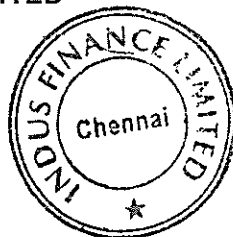
Thanking you,

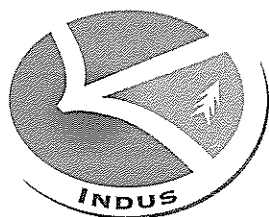
Yours truly,

For **INDUS FINANCE LIMITED**


K.K. Dinakar
Company Secretary

Encl:a/a



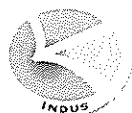


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INDUS FINANCE LIMITED

REGD Office: "KOTHARI BUILDINGS", 4TH FLOOR, 114, M.G.ROAD,
NUNGAMBAKKAM, CHENNAI - 600 034.

Standalone Audited Financial Results for the Quarter and Year ended 31.03.2019

(Rs. in Lakhs)

Particulars	Standalone				
	Three Months Ended			Year Ended	
	March 31 2019	December 31 2018	March 31 2018	March 31 2019	March 31 2018
	Audited	Un-Audited	Audited	Audited	
1. Income from operation					
Revenue from operation	74.78	45.94	75.16	241.41	220.41
Other Revenue	-	-	-	-	-
Total Revenue	74.78	45.94	75.16	241.41	220.41
2. Expenses					
(a) Operating Expenses	-	-	-	-	-
(b) Purchases of stock-in-trade	-	-	-	-	-
(c) Changes in inventories of finished goods, work -in progress and stock-in-trade	-	-	-	-	-
(d) Employee benefits expense	22.16	32.71	17.95	90.30	72.15
(e) Finance Cost	-	-	0.81	-	0.81
(f) Depreciation and amortization expense	1.02	0.42	0.79	2.28	1.96
(g) Other expenses	11.08	10.39	14.01	51.57	64.01
(h) Bad Debts	69.51	-	69.51	69.51	69.51
Total expenses	103.77	43.52	103.07	213.66	208.44
3. Profit before exceptional and extraordinary items and tax(1-2)	(28.99)	2.42	(27.91)	27.75	11.97
4. Exceptional items	-	-	-	-	-
5. Profit before extraordinary items and tax(3-4)	(28.99)	2.42	(27.91)	27.75	11.97
6. Extraordinary items	-	-	-	-	-
7. profit before tax(5-6)	(28.99)	2.42	(27.91)	27.75	11.97
8. Tax expenses					
Current tax	1.42	0.99	(1.93)	9.02	4.05
Deferred tax	(0.44)	0.00	(0.29)	(0.44)	(0.29)
9. Total tax Expenses	0.98	0.99	(2.22)	8.58	3.75
10. Profit for the period from continuing operations(7-8)	(29.97)	1.43	(25.67)	19.17	8.22
11. Profit/Loss from discontinuing operations	-	-	-	-	-
12. Tax expenses of discontinuing operations	-	-	-	-	-



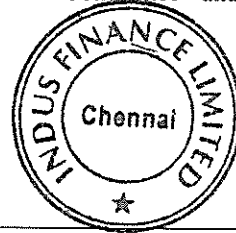
13. Profit from discontinuing operations (after tax) (11-12)	-	-	-	-	-
14. profit for the period (10+13)	(29.97)	1.43	(25.67)	19.17	8.22
15. Minority interest	-	-	-	-	-
16. profit after minority interest (14-15)	(29.97)	1.43	(25.67)	19.17	8.22
17. Paid-up equity share capital (Face Value of Rs.10/- each)	925.83	925.83	925.83	925.83	925.83
18. Reserve (excluding Revaluation Reserves)					
19. Earnings per equity shares					
(a) Basic (Rs.)	(0.32)	0.02	(0.28)	0.21	0.09
(b) Diluted (Rs.)	(0.32)	0.02	(0.28)	0.21	0.09

Statement of Assets and Liabilities		(in Rs.)	
Particulars	Standalone		
	As at	As at	
	31.03.2019	31.03.2018	
	Audited	Audited	
A. EQUITY AND LIABILITIES			
1. Shareholders' funds			
(a) Share Capital	92,583,000	92,583,000	
(b) Reserves and Surplus	76,098,527	74,181,066	
(c) Money received against share warrants	-	-	
Sub-total - Shareholders' funds	168,681,527	166,764,066	
2. Share application money pending allotment	-	-	
3. Minority interest	-	-	
4. Non-current liabilities			
(a) Long-term borrowings	132,870,173	134,304,329	
(b) Deferred tax liabilities (net)	-	-	
(c) Other long-term liabilities	-	-	
(d) Long-term provisions	-	-	
Sub-total - Non-current liabilities	132,870,173	134,304,329	
5. Current liabilities			
(a) Short-term borrowings	-	-	
(b) Trade payables	-	-	
(c) Other current liabilities	2,096,289	974,731	
(d) Short-term provisions	-	-	
Sub-total - Current liabilities	2,096,289	974,731	
TOTAL - EQUITY AND LIABILITIES	303,647,989	302,043,126	
B. ASSETS			
1. Non-current assets			
(a) Fixed assets	346,888	1,227,231	
(b) Goodwill on consolidation	-	-	
(c) Non-current investments	118,385,990	118,385,990	
(d) Deferred tax assets (net)	1,740,950	1,696,740	

(e) Long-term loans and advances	181,598,018	177,447,147
(f) Other non-current assets	-	-
Sub-total – Non-current assets	302,071,846	298,757,108
2. Current assets		
(a) Current investments	-	-
(b) Inventories	-	-
(c) Trade receivables	103,535	21,282
(d) Cash and cash equivalents	367,970	2,022,018
(e) Short-term loans and advances	-	-
(f) Other current assets	1,104,638	1,242,718
Sub-total – Current assets	1,576,143	3,286,018
TOTAL - ASSETS	303,647,989	302,043,126

Notes:

1. The Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors of the Company at their meeting held on 30th May 2019
2. Prior period items have been regrouped & rearranged wherever



For and on behalf of Board of
INDUS FINANCE LTD.,

Bala V. Kutti
Bala V. Kutti
Director

Place: Chennai 34

Date: 30.05.2019



V. RAMARATNAM & COMPANY

Chartered Accountants

26, Ground Floor, IV Street,
Abhiramapuram, Chennai- 18.
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TO THE MEMBERS OF INDUS FINANCE LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the standalone financial statements of Indus Finance Limited (**Formerly Known as INDUS FINANCE CORPORATION LIMITED**)(“the Company”), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

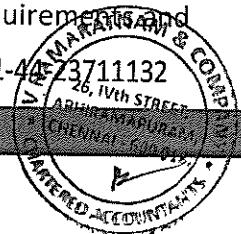
In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2019 and its profit & loss and its cash flows for the year ended on that date.

Basis of Qualified Opinion

- (i) We refer to Note 9 in the financial statements under Long Term Loans and Advances. There are two parties where no interest or principal amount is realized during the course of the year, including lack of a consistent income recognition policy. In the absence of regular repayment of principal and / or interest, reconciliation and confirmation from the parties, amounting to Rs.79,47,443.00/-, We are not in position to ascertain and comment on the recoverability of the outstanding balance and resultant impact of the same on the financial statements of the company. We recommend 100% provisioning despite the fact that prudential norms are not applicable.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and

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the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

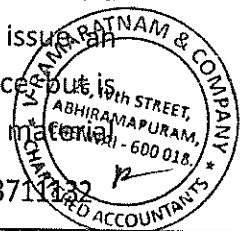
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

Those Board of Directors are also 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 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

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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 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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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 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.

Emphasis of Matter

- We refer to Note No. 10 of the financial statements under staff loans, amounting to Rs. 54,49,594/- (Previous Year Rs.70,27,979/-) In our opinion, the loans are not in accordance with the remuneration policy of the company or in accordance with the conditions of service applicable to the employee.
- We refer to Note 5 of the financial statement under Secured Term Loan, a loan has been taken against three LIC Policies, accrued interest payable of Rs.92,98,431/- against the said LIC loan has not been recognized in the financial statement.

Report on Other Legal and Regulatory Requirements

1. As required by 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 Act, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. Further to the comments in the annexure , as required by Section 143 (3) of the Act, we report that:

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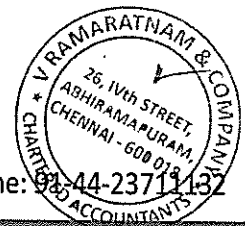
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- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
- (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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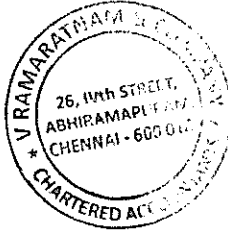
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- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For V Ramaratnam and Company,
Chartered Accountants,
Firm Registration No: 002956S

R. SUNDAR
Partner
Membership Number: 012339



Place: Chennai
Date: 30-05-2019



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"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2019:

- (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 programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, 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.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no immovable property. Thus, paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has granted loans, both secured and unsecured to companies, firms, limited liability partnerships and other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- a) "According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company to a party covered in the register maintained under section 189 of the Companies Act, 2013, are not prejudicial to the company's interest.
- b) According to the information and explanation given to us, the schedule of repayment of principal and payment of interest has been stipulated and regular.

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c) According to the information and explanations given to us, there are no over dues for more than 90 days from the parties covered in the register maintained under section 189 of the Companies Act, 2013 except to the parties mentioned above.

(iv) In our opinion and according to the information and explanation given to us the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable. Thus, paragraph 3(iv) of the Order is not applicable to the Company.

(v) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of the directives issued by the Reserve Bank of India to the limit extent applicable. Since the company is a Non-Banking Finance Company not accepting deposits from the public, the provisions of section 73 to 76 of the Companies Act, 2013 are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the Company. Thus, paragraph 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Service tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.

(b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax which have not been deposited on account of any dispute, except for the following:



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