



<b>Board of Directors :</b>	<b>PADHAM J CHALLANI,</b> Chairman
	<b>N. SUBRAMANIAN, B.com, F.C.A</b> Director
	<b>LAKSHMI NARASHMA RAO, B.com (Hon), F.C.A</b> Director
	<b>SWAPNA P KOCHAR</b> Woman Director (appointed w.e.f. 04-03-2016)
	<b>POOJA CHALLANI</b> Woman Director (resigned w.e.f. 04-03-2016)
<b>Registered Office :</b>	No.15, New Giri Road, T. Nagar, Chennai – 600 017, Tamil Nadu, India. Phone: 91-44-2834 2111, Fax:91-44-2834 1280 Email: info@indoaisafinance.com Website: www.indoasiafinance.com
<b>Auditors :</b>	<b>M/s. N.RAMAKRISHNAN,</b> Chartered Accountant Membership No.12527 No.14, 6th Cross Street, Karapagam Gardens, Adyar, Chennai – 600 020 Phone: 91-44-4260 7586
<b>Bankers / Financial Institutions :</b>	<b>CANARA BANK,</b> Teynampet 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>Company Share Registry :</b>	M/s. Cameo Corporate Services Limited “Subramanian Buildings”, 1, Club House Road, Chennai – 600 002 Phone: 91-44-2846 0390 / 94, Fax: 91-44-2846 0129. E-mail: investor@cameoindia.com

**NOTICE TO THE SHAREHOLDERS**

**NOTICE** is hereby given that the **Twenty-Sixth** Annual General Meeting of the Members of **INDO ASIA FINANCE LIMITED** will be held on Tuesday the 20<sup>th</sup> September, 2016 from 11.00 a.m. at Shankar Business Space, No.5/4, Nana Street, T. Nagar, Chennai - 600 017 (Near Pondy Bazaar Post Office) Cell : +91-9840165682 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Balance sheet and Profit & Loss Account for the year ended 31<sup>st</sup> March, 2016, as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Padham J Challani (DIN: 00052216), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Auditor Mr. N.Ramakrishnan (M.No.012527), Chartered Accountant, having office at Old No.8, New No.14, 6<sup>th</sup> Cross Street, Karpagam Gardens, Adyar, Chennai- 600020 to hold office for a period of 1 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, 2016, and the remuneration to be fixed by the Board of Directors in consultation with the Auditor and pass the following resolution as the ordinary resolution.

**SPECIAL BUSINESS:****4. REGULARISATION OF APPOINTMENT OF ADDITIONAL DIRECTOR**

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

**RESOLVED** that Mrs. Swapna P Kochar (holding DIN: 02262562) who was appointed as an Additional Director of the Company by the Board of Directors with effect from 04<sup>th</sup> March, 2016, in terms of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company and whose term of office expires at the ensuing Annual General Meeting, be and is hereby appointed as a Non-Independent Woman Director, liable to retire by rotation.

By Order of the Board  
For Indo Asia Finance Limited

Sd/-

Padham J Challani  
Chariman

24<sup>th</sup> May, 2016  
Registered Office  
No.15, New Giri Road,  
T. Nagar, Chennai-600017

**NOTES:**

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

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

2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.
4. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday the 14th September, 2016 to Tuesday the 20th September, 2016 (both days inclusive) for the purpose of ensuing Twenty Sixth Annual General Meeting.
8. Members are hereby requested to send all correspondence concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Registrar and Share Transfer Agent.
9. Members desiring to have any clarification on account are requested to write to the Company at an early date so as to enable the Company keep the information ready.
10. Members who have not yet encased their dividend warrants for previous years are advised to forward such warrants to the company for revalidation. Pursuant to the provision of section 205A read with section 205C of the Companies Act, 1956, dividend, which remains unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund of the Central Government.
11. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, members holding shares in electronic forms are therefore requested to submit the PAN to their Depositories Participant with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents.
12. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their depository participants with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents.
13. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of Notice/Documents including Annual Report can be sent by E-mail to its members. To support this Green Initiative of the Government in full measure, members who have not registered their E-mail



addresses, so far, are requested to register their E-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their E-mail IDs with M/s. Cameo Corporate Services Limited, "Subramanian Buildings", 1, Club House Road, Chennai-600 002.

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

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

- (i) The voting period begins on 17th September, 2016 (start at 9 am) and ends on 19th September, 2016 (till 5 pm). During these period shareholders' of the Company, holding shares either in physical form or in Dematerialized form, as on the cut-off date 13th September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.(Sequence number has been provided as Serial Number (SL NO.) in the Address Label</li><li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li></ul>
DOB	Enter the Date of Birth as recorded in your Demat account or in the company records for the said Demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your Demat account or in the company records for the said Demat account or folio. <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction.</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.



- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in Demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the Demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



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

**DIRECTORS**

<b>Name</b>	<b>Mr. Padham J Challani</b>	<b>Ms. Swapna P Kochar</b>
Date of Birth & Age	10/01/1955 (60 years)	30/12/1982 (34 years)
Nationality	Indian	Indian
Date of Appointment on the Board	29/01/2010	04/03/2016
Qualifications	B.com	B.com
Expertise in functional area	Business and Finance	Business and Finance
No. of Shares held	1,10,100	3,46,806
Number of Directorship held In other Companies as on date	12	2
Chairman/Member of the Committees of the Board of other Companies in which he is Director as on date	Nil	Nil
PAN	AEKPC1816N	AFEPJ8714M

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

Sd/-

**Padham J Challani  
Chairman**

24<sup>th</sup> May, 2016  
Registered Office  
No.15, New Gira Road,  
T. Nagar, Chennai-600017

**Explanatory Statement:****Item No.4 - REGULARISATION OF APPOINTMENT OF ADDITIONAL DIRECTOR**

Mrs. Swapna P Kochar was appointed as an Additional Director by the Board of Directors on 04<sup>th</sup> March, 2016 under Articles of Association of the Company and under Section 260 of the Companies Act, 1956 (corresponding Section 161 (1) of the Companies Act, 2013). She is presently a Woman Director on the Board as per the current provisions of the SEBI Regulation. She will hold office up to the ensuing Annual General Meeting. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, she being eligible and offering herself for appointment, is proposed to be appointed as a Non - Independent Woman Director, liable to retire by rotation.

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

In the opinion of the Board, Mrs. Swapna P Kochar fulfils the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as a Non-independent Woman director of the Company.

Mrs. Swapna P Kochar is related to Mr. Padham J Challani and none of the Directors, except him is concerned or interested in the resolution.

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

Sd/-

**Padham J Challani  
Chairman**

24<sup>th</sup> May, 2016  
Registered Office  
No.15, New Giri Road,  
T. Nagar, Chennai-600017

**DIRECTORS' REPORT**

To the Members,

The Directors have great pleasure in presenting their 26<sup>th</sup> Annual Report along with the audited financial statement for the financial year ended 31<sup>st</sup> March, 2016.

**FINANCIAL RESULTS**

The Financial Results of the Company for the year ended 31<sup>st</sup> March, 2016 are summarized below:

Sl.No.	Particulars	Current Fin. Year-ended 31 <sup>st</sup> March, 2016	Previous Fin. Year-ended 31 <sup>st</sup> March, 2015
(i)	Revenue from operations (net)	55,97,535	63,88,812
(ii)	Other Income	22,44,570	23,03,25,187
<b>(iii)</b>	<b>Total Income</b>	<b>78,42,105</b>	<b>23,67,13,999</b>
(iv)	Operating Expenditure	1,84,45,174	26,12,12,459
(v)	Profit before Interest, Depreciation and Amortisation and Tax	(1,06,03,069)	(2,44,98,460)
(vi)	Finance Costs (net)	91,78,418	1,84,96,109
(vii)	Depreciation and Amortisation	16,10,809	7,98,173
<b>(viii)</b>	<b>Profit before Taxes</b>	<b>(2,13,92,296)</b>	<b>(4,37,92,742)</b>
(ix)	Tax Expenses		
	a) Current Tax	NIL	NIL
	b) Deferred Tax	(2,12,945)	1,35,112
<b>(x)</b>	<b>Net Profit (or) Loss for the Year</b>	<b>(2,11,79,351)</b>	<b>(4,39,27,854)</b>
(xi)	Balance Brought Forward from Previous Year	NIL	NIL
(xii)	Amount Available for Appropriation	(2,11,79,351)	(4,39,27,854)
	<b>Appropriations</b>		
(a)	Interim Dividends on Equity Shares	NIL	NIL
(b)	Tax on Dividends	NIL	NIL
(c)	Transfer to General Reserve	NIL	NIL
(d)	Transfer to Special Reserve	NIL	NIL
<b>(e)</b>	<b>Balance carried to Balance Sheet</b>	<b>(2,11,79,351)</b>	<b>(4,39,27,854)</b>



**PERFORMANCE OF THE COMPANY**

During the year, your Company registered a total income of Rs.78,42,105/- representing the decrease in 30% over that of the previous year. **This was mainly due to the adverse business condition.** Your Company registered a Net Loss of Rs. 2,11,79,351/- as compared to previous year Net Loss of Rs.4,39,27,854/-. **The general depletion in the economic conditions was a major challenge for the NBFC's for collection and which in turn resulted in reduction in overall disbursement of loans.**

**DIVIDEND**

In order to conserve the liquid resources for the development of business of the Company and to enhance Shareholders' value, your Directors have not recommended any Dividend for the period ended 31.03.2016.

During the financial year ended 31.03.2016, the Company had transferred the matured (7 years expired) unclaimed dividend amounting Rs.1.94 Lakhs out of Rs. 3.47 Lakhs to IEPF account on 19.10.2015 in accordance with the provision of Companies Act, 2013 and the balance amount of Rs.1.53 Lakhs will be transferred to the said IEPF account for the next financial (after the expiry of 7 years) from the date of declaration of such dividend.

**TRANSFER TO RESERVES**

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

**DEPOSITS**

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

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

These are covered by the notes on financial statements provided in this Annual Report.

**DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****Appointments and Resignations**

The Board has appointed Mrs. SWAPNA P KOCHAR as Additional Director of the Company w.e.f. 04.03.2016, under the category of Woman Director. The Board of Directors seeks your support in confirming the appointment of Mrs. SWAPNA P KOCHAR as continuing Woman Director of the Company.



Details of appointments and resignations of Directors during the year are tabled below:

<b>Name of Director/Key Managerial Personnel</b>	<b>Designation</b>	<b>Date of Appointment</b>	<b>Date of Resignation</b>
Mrs. Swapna P Kochar	Woman Director	Appointed as an Additional Director w.e.f. 04/03/2016.	NA
Ms. Pooja Challani	Woman Director	Appointed as an Additional w.e.f. 05/08/2015 and Re-designated w.e.f. 26/09/2015	Resigned w.e.f. 04/03/2016.

#### **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, 2015 to 31<sup>st</sup> March, 2016 - Seven Board Meetings were convened and held, the details of which are given below. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

<b>Date of Board Meeting</b>	<b>Names of Directors who attended the meeting</b>
27 <sup>th</sup> May, 2015	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao
05 <sup>th</sup> August, 2015	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao
01 <sup>st</sup> September, 2015	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao, Pooja Challani
06 <sup>th</sup> November, 2015	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao, Pooja Challani
12 <sup>th</sup> January, 2016	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao, Pooja Challani
04 <sup>th</sup> February, 2016	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao, Pooja Challani
04 <sup>th</sup> March, 2016	Padham J Challani, N.Subramanian, Lakshmi Narasimha Rao, Pooja Challani, Swapna P Kochar (w.e.f. 04-03-2016)

**DETAILS OF COMMITTEES AND THEIR MEETINGS**

The Board has the 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>	<b>Names of Directors who attended the meetings M/s.</b>
Audit Committee	Comprises of three Directors of whom two are Independent Directors and one is Executive Director. The Chairman of the Committee is the Non-Executive Independent Director.	5 meetings were held during the period on the following dates:- <ul style="list-style-type: none"><li>• 27<sup>th</sup> May, 2015</li><li>• 05<sup>th</sup> Aug, 2015</li><li>• 01<sup>st</sup> Sep, 2015</li><li>• 06<sup>th</sup> Nov, 2015</li><li>• 12<sup>th</sup> Jan, 2016</li><li>• 04<sup>th</sup> Feb, 2016</li></ul>	*N Subramaniam, *Lakshmi Narashma Rao, Padham J Challani
Nomination and Remuneration Committee	Comprises of three Directors of whom two are Independent Directors and one is Executive Director. The Chairman of the Committee is the Non-Executive Independent Director.	3 Meetings were held during the period on the following dates:- <ul style="list-style-type: none"><li>• 05<sup>th</sup> Aug, 2015</li><li>• 06<sup>th</sup> Nov, 2015</li><li>• 04<sup>th</sup> Mar, 2016</li></ul>	*N Subramaniam, *Lakshmi Narashma Rao, Padham J Challani
Stakeholders' Relationship Committee	Comprises of three Directors of whom two are Independent Directors and one is Executive Director. The Chairman of the Committee is the Non-Executive Independent Director.	No Meetings were held during the financial year	*N Subramaniam, *Lakshmi Narashma Rao, Padham J Challani

*\*Mr. N. Subramaniam and Mr. Lakshmi Narashma Rao were the Non - Executive Independent Directors*

*Board Members who were elected as the Chairman of the committee Meetings during the financial year 2016:-*

*Mr. N. Subramaniam – 27/05/2015, 05/08/2015 and 06/11/2015*

*Mr. Lakshmi Narashma Rao – 01/09/2015, 04/02/2015, 12/01/2016 and 04/03/2015*

**COMPOSITION OF BOARD OF DIRECTORS**

Name and Designation of the Director	Category	Number of Board Meetings during the year ended 31.03.2016		Whether attended last AGM	Number of Directorships in Companies & LLPs		Number of Committee positions held in other Public Companies	
		Held	Attended		Yes / No	Chairman	Member	Chairman
Padham J Challani CHAIRMAN	Promoter - Executive Director	7	7	Yes	--	13	--	--
N. Subramanian	Non-Executive & Independent Director	7	7	Yes	--	2	--	--
Lakshmi Narashma Rao	Non-Executive & Independent Director	7	7	Yes	--	1	--	1
Pooja Challani*	Woman Director	7	7	Yes	--	1	--	--
Swapna P Kochar**	Woman Director	--	--	NA	--	2	--	--

\* Resigned w.e.f. 04.03.2016

\*\* Appointed as an Additional Director w.e.f. 04.03.2016

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

The Audit Committee generally makes certain recommendations to the Board of Directors of the Company during their meetings held to consider financial results (Unaudited and Audited) and such other matters placed before the Audit Committee as per the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) from time to time. 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, all of whom are 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 such development has taken place during the year.

**AUDITORS****Statutory Auditors**

In the 25<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September, 2015, M/s. Krupa & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held for this financial year 31<sup>st</sup> March, 2016. Unfortunately, M/s Krupa & Co. have tendered their resignation w.e.f. 21-12-2015 from the position of Statutory Auditors due to unavoidable circumstance resulting into Casual Vacancy u/s.139(8) and 140 (2) of the companies act, 2013.

In Extra Ordinary General Meeting held on 04<sup>th</sup> February, 2016, Mr. N. Ramakrishnan, Chartered Accountant, (M.No.12527) Chennai, is hereby appointed as the Statutory Auditors to fill the casual vacancy of the Company and to hold office till the conclusion of this 26<sup>th</sup> Annual General Meeting. And his re-appointment will be rectifying at this A.G.M. by obtain necessary resolution from the members of the Company.

**Response to qualifications in the Auditor's Report****Statutory Audit Report**

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

**Secretarial Auditor**

Mr. Alagar, Practicing Company Secretaries having COP: 3913, was appointed to conduct the Secretarial audit of the Company for the financial year 2016 and 2017, as required under Section 204 of the Companies Act, 2013 and Rules there under. The Secretarial Audit Report for the financial year 2016 forms part of the Annual Report is enclosed in **Annexure – I**.

**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) Details of the employees employed throughout the year and drawing remuneration which in the aggregate exceeds Rs. 60 Lakhs or more per annum, during the financial year. Nil
- ii) None of the employees employed for a part of the financial year, was in receipt of remuneration for any part of that year, which, in the aggregate exceeds Rupees Five Lakhs per month, during the financial year.

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

Name of Director/KMP	Amount of Remuneration Per month Rs.	Ratio of remuneration to median remuneration of employees for the FY	% increase in remuneration during the FY	Comparison of remuneration to performance of company
--	--	--	--	--

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 31.03.2016 = 14

Explanation on relationship between average increase in remuneration and company performance

No change in remuneration, as the Company is in consolidation phase.

**Variations in Market Capitalisation of the Company**

The market capitalization of the Company as of 31<sup>st</sup> March, 2016 was:-

Number of Shares as on 31 <sup>st</sup> March, 2015	Closing price as of 31 <sup>st</sup> March, 2015 at BSE	Market Capitalization in Crores
90,00,000	6.80	6.12

The market capitalization of the Company as of 31<sup>st</sup> March, 2015 was:-

Number of Shares as on 31 <sup>st</sup> March 2016	Closing price as of 31 <sup>st</sup> March 2016 at BSE	Market Capitalization in Crores
90,00,000	5.73	5.16

**Price earnings ratio**

Price earnings ratio	As on 31.03.2016	As on 31.03.2015
P/E ratio = $\frac{\text{Earnings (Market Value)}}{\text{Earnings Per Share}}$	= $\frac{6.80}{-2.35}$ = -2.90	= $\frac{5.73}{-4.88}$ = -1.18





Percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate, when the company came out with the last public offer

NA

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

No variable component availed.

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

NA

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**

During the year there are no significant and Material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED SINCE 31.03.2016 TILL THE DATE OF THIS REPORT**

There are no material Changes and commitments affecting the financial position of the company which has occurred since 31.03.2016 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**

There were no related party transactions entered into during the financial year by the company with its Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large other than the remuneration paid to the Executive Directors and Dividend received by them from the Company in proportion to the shares held by them.

The details of Related Party Transactions are provided in the Notes to the Accounts.

**CORPORATE GOVERNANCE REPORT**

Corporate governance requirements as stipulated under the clause 49 of equity listing agreement with the stock exchanges is not applicable to your company as the share capital of the company is less than Rs. 10 Crores and the networth of the company is less than Rs. 25 Crores.

**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 dematerialisation of the Company's shares.

**INDUSTRIAL RELATIONS**

Industrial relations in all the units and branches 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**

Sd/-

**Padham J Challani  
Director cum-Chairman**

24<sup>th</sup> May, 2016  
Registered Office  
No.15, New Giri Road,  
T.Nagar, Chennai- 600017



**Addendum to the Directors Report  
Reply to the Qualifications in the Secretarial Audit Report**

**Qualifications:**

- a) No Appointment of key managerial personnel under Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was made.
- b) Money is lying in Share Application account and shares are not allotted within the stipulated time under section 62 of the Companies Act, 2013.
- c) The Secretarial Audit Report for the year 2014-2015 was not available for inspection.
- d) 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.
- e) Amounts were transferred to Investors Education Fund belatedly and certain provisions are not followed properly.

**Reply to the Qualifications:**

- a) Till recently we were having Qualified Company Secretary and we are in the process of getting suitable persons in the respective key managerial positions.
- b) We will do the needful to comply with the provisions of Section 62 of the Companies Act, 2013 as earlier.
- c) During the renovation of the premise (Register office) after the occurrences of flood, company has misplaced the documents. Therefore, company is trying to obtain another copy of Secretarial Audit Report from the previous Secretarial Auditor.
- d) The company is taking effective steps to update and revamp its website.
- e) We will stringently follow the provisions regarding Investors Education & Protection Fund hereafter.



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

11/2, Venkat Apartments  
Gandhi Street  
T.Nagar, Chennai-600 017  
Ph. 28142194  
Mobile: 9940682194  
email: [alagarr@gmail.com](mailto:alagarr@gmail.com)

**Annexure – I**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016**

**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, 2016, 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, 2016 according to the applicable provisions of:
  - i) The Companies Act, 1956, Companies Act, 2013 (the Act) and the rules made there under.
  - ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
  - iii) The Depositories Act, 1996 and the regulations and bye-laws framed there under.
  - iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 1992 (up to 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 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 Listing Agreement entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective 1<sup>st</sup> December, 2015.
2. I am informed that, for the financial year ended on March 31, 2016:
  - i) 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:
    - a) The Securities and Exchange Board of India (Employee Stock Opinion Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
    - b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; and



- c) 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 there under 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 made effective July 1, 2015.
5. During the period under review, to the best of my knowledge and belief and according to the information and explanations given to me, the company has complied with the provisions of the acts, Rules, Regulations and Agreements mentioned under paragraph 1 above, to the extent applicable subject to the following:
- a) No Appointment of key managerial personnel under Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 was made.
- b) Money is lying in Share Application account and shares are not allotted within the stipulated time under section 62 of the Companies Act, 2013.
- c) The Secretarial Audit Report for the year 2014-2015 was not available for inspection.
- d) 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.
- e) Amounts were transferred to Investor Education Fund belatedly and certain provisions are not followed properly.
- f) The Accounts were revised at the instant of RBI and adopted by the Members but not yet filed with MCA for want of the permission of NCLT.
- g) 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: 24-05-2016

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



**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: 24-05-2016

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

**Annexure -II****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2015

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

**I. REGISTRATION & OTHER DETAILS:**

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

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

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

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

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


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

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% 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	4621499	27300	4648799	51.6533	4621499	27300	4648799	51.6533	0.0000
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1):-</b>	<b>4621499</b>	<b>27300</b>	<b>4648799</b>	<b>51.6533</b>	<b>4621499</b>	<b>27300</b>	<b>4648799</b>	<b>51.6533</b>	<b>0.0000</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	0.00
(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>4621499</b>	<b>27300</b>	<b>4648799</b>	<b>51.6533</b>	<b>4621499</b>	<b>27300</b>	<b>4648799</b>	<b>51.6533</b>	<b>0.0000</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.	44461	9600	54061	0.6006	44304	9600	53904	0.5989	-0.0017
b) Individuals -									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	555595	553920	1109515	12.3279	565296	550820	1116116	12.4012	0.0733
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2982063	152900	3134963	34.8329	2969411	152900	3122311	34.6923	-0.1405
c) Others (specify)	0	0	0	0	0	0	0	0	0
Clearing Members	50	0	50	0.0005	15	0	15	0.0002	-0.0003
Hindu Undivided Families	50929	0	50929	0.5658	57172	0	57172	0.6352	0.0693
Non Resident Indians	1683	0	1683	0.0187	1683	0	1683	0.0187	0.0000
<b>Sub-total (B)(2):-</b>	<b>3634781</b>	<b>716420</b>	<b>4351201</b>	<b>48.3466</b>	<b>3637881</b>	<b>713320</b>	<b>4351201</b>	<b>48.3466</b>	<b>0.0000</b>
Total Public Shareholding (B)=(B)(1)+ (B)(2)	3634781	716420	4351201	48.3466	3637881	713320	4351201	48.3466	0.0000
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>8256280</b>	<b>743720</b>	<b>9000000</b>	<b>100.0000</b>	<b>8259380</b>	<b>740620</b>	<b>9000000</b>	<b>100.0000</b>	<b>0.0000</b>

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

S.No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year		
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares
1	P SHOBHA JT1 : AJEETH P CHALLANI JT2 : PADHAM J CHALLANI	2922800	32.4755	0.0000	2922800	32.4755	0.0000
2	P SHOBHA JT1 : PADAM J CHALLANI	864894	9.6099	0.0000	864894	9.6099	0.0000
3	J P SWAPNA JT1 : PADAM J CHALLANI JT2 : P SHOBHA	346806	3.8534	0.0000	346806	3.8534	0.0000
4	MAMTHA A MUTHAA	309054	3.4339	0.0000	309054	3.4339	0.0000
5	JAWARILAL PADAMCHAND CHALLANI	110100	1.2233	0.0000	110100	1.2233	0.0000
6	SUMTHI A CHALLANI	60600	0.6733	0.0000	60600	0.6733	0.0000
7	AMARABAI J JT1 : JAYANTILAL R J	20700	0.2300	0.0000	20700	0.2300	0.0000
8	J HEMALATHA. HAVING SAME PAN	7245	0.0805	0.0000	7245	0.0805	0.0000
8	HEMALATHA J	400	0.0044	0.0000	400	0.0044	0.0000
9	LALITHA J A JT1 : PADAM CHALLANI J	5700	0.0633	0.0000	5700	0.0633	0.0000
10	SHOBHA P JT1 : PADAM J CHALLANI	500	0.0055	0.0000	500	0.0055	0.0000

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

SL.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the year	4648799	51.65%	4648799	51.65%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-Nil-	-Nil-	-Nil-	-Nil-
	At the end of the year	4648799	51.65%	4648799	51.65%

There is no change in Promoters' Shareholding during the year.

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

Sl No	Name of the Share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	ADITYA CHOPRA				
	At the beginning of the year 01-Apr-2015	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2016	450000	5.0000	450000	5.0000
2	ABHISHEK CHOPRA				
	At the beginning of the year 01-Apr-2015	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2016	450000	5.0000	450000	5.0000
3	AASHISH CHOPRA				
	At the beginning of the year 01-Apr-2015	450000	5.0000	450000	5.0000
	At the end of the Year 31-Mar-2016	450000	5.0000	450000	5.0000
4	M PRAKASHCHAND JAIN				
	At the beginning of the year 01-Apr-2015	442200	4.9133	442200	4.9133
	At the end of the Year 31-Mar-2016	442200	4.9133	442200	4.9133



5	P KANTHA CHOPRA				
	At the beginning of the year 01-Apr-2015	435900	4.8433	435900	4.8433
	At the end of the Year 31-Mar-2016	435900	4.8433	435900	4.8433
	HAVING SAME PAN				
5	KANTHA CHOPRA				
	At the beginning of the year 01-Apr-2015	30	0.0003	30	0.0003
	At the end of the Year 31-Mar-2016	30	0.0003	30	0.0003
6	M. PRAKASHCHAND JAIN				
	At the beginning of the year 01-Apr-2015	374400	4.1600	374400	4.1600
	At the end of the Year 31-Mar-2016	374400	4.1600	374400	4.1600
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2015	76001	0.8444	76001	0.8444
	At the end of the Year 31-Mar-2016	76001	0.8444	76001	0.8444
	HAVING SAME PAN				
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2015	1200	0.0133	1200	0.0133
	At the end of the Year 31-Mar-2016	1200	0.0133	1200	0.0133
	HAVING SAME PAN				
7	PAWAN KUMAR JAIN				
	At the beginning of the year 01-Apr-2015	896	0.0099	896	0.0099
	At the end of the Year 31-Mar-2016	896	0.0099	896	0.0099
8	ALPANA BARDIA				
	At the beginning of the year 01-Apr-2015	65321	0.7257	65321	0.7257
	At the end of the Year 31-Mar-2016	65321	0.7257	65321	0.7257
9	SANGEETHA S				
	At the beginning of the year 01-Apr-2015	46800	0.5200	46800	0.5200
	At the end of the Year 31-Mar-2016	46800	0.5200	46800	0.5200
10	ANSUYA MAHESH SACHADE JTI : MAHESH KHERAJ SACHADE				
	At the beginning of the year 01-Apr-2015	33861	0.3762	33861	0.3762
	Sale 18-Sep-2015	-300	0.0033	33561	0.3729
	Sale 25-Sep-2015	-201	0.0022	33360	0.3706
	At the end of the Year 31-Mar-2016	33360	0.3706	33360	0.3706
	NEW TOP 10 AS ON (31-Mar-2016)				


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

S.No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year :-				
	Padham J Challani	110100	1.223%	110100	1.223%
	N Subramaniam	300	0.003%	300	0.003%
	Date wise increase / decrease in promoters shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)				
	At the end of the year :-				
	Padham J Challani	110100	1.223%	110100	1.223%
	Swapna P Kochar	346806	3.853%	346806	3.853%
	N Subramaniam	300	0.003%	300	0.003%

**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	57,707,923.00	9,318,792.00	-	67,026,715.00
ii) Interest due but not paid	971,852.00	-	-	971,852.00
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>58,679,775.00</b>	<b>9,318,792.00</b>	<b>-</b>	<b>67,998,567.00</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	5,345,688.00	-	5,345,688.00
* Reduction	34,079,775.00	-	-	34,079,775.00
<b>Net Change</b>	<b>34,079,775.00</b>	<b>5,345,688.00</b>	<b>-</b>	<b>(28,734,087.00)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	24,600,000.00	14,664,480.00	-	39,264,480.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>24,600,000.00</b>	<b>14,664,480.00</b>	<b>-</b>	<b>39,264,480.00</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

S.No.	Particulars of Remuneration	Name of the MD/WTD/Manager		Total Amount
	Gross salary	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	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	
<b>Independent Directors</b>					
1.	Mr. N. Subramanian	12,500	Nil	Nil	12,500
2.	Mr. M.J. Lakshmi Narasimha Rao	12,500	Nil	Nil	12,500
Total (1)		25,000	Nil	Nil	25,000
<b>Executive Directors</b>					
1.	Mr. Padham J Challani	Nil	6,00,000	Nil	6,00,000
2.	Ms. Pooja Challani	Nil	2,00,000	Nil	2,00,000
Total (2)		Nil	8,00,000	Nil	8,00,000
<b>Other Non-Executive Directors</b>					
1.	Nil	Nil	Nil	Nil	Nil
Total (3)		Nil	Nil	Nil	Nil
Total (A) = (1 + 2 + 3)		25,000	8,00,000	Nil	8,25,000
Total Managerial Remuneration		25,000	8,00,000	Nil	8,25,000
Overall Ceiling as per the Companies Act, 2013		12,00,000	42,00,000	Nil	54,00,000

*The Overall ceiling limit is calculated for Executive Directors as per Sec-II in Part-II of Schedule-V of the Act, and for the Independent Directors 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	
	Gross salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL
	Ceiling as per the Act	NIL	NIL	NIL	NIL

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

**To the Members of Indo Asia Finance Limited  
Report on the Financial Statements**

We have audited the accompanying Standalone financial statements of Indo Asia Finance Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation and presentation of these Standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial



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

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2016 and its Profit/Loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ('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 statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the aforesaid Standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;



- e. on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and
- f. With respect to the adequacy of the internal financial control over the financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii. The company has delayed in transferring a sum of Rs.1.94 lakhs out of Rs.3.47 lakhs which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For N. RAMAKRISHNAN  
Chartered Accountant  
Membership number: 012527

Sd/-

Place: Chennai  
Date: 24-05-2016

**"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 2016, 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) 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.
  - a. 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 ('the Act').
  - b. Since no loans are granted to body corporate, this question of maintaining the register under section 189 of the Companies Act, does not arise. However, the company is still maintaining such a register since such loans were available last year and these loans have been adjusted during the current year.
  - c. Since the loans have been adjusted in full, the question of overdue 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.
- a. 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 2016 for a period of more than six months from the date they became payable. However the company has not remitted a sum of Rs.4.27 lakhs which is payable on account of Fringe benefit tax for the assessment year 2007-2008.
- b. According to the information and explanations given to us the company has transferred a sum of Rs.1.94 lakhs out of 3.47 lakhs to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under and the excess amount of Rs. 1.53 Lakhs will be transferred to IEPF account after the expiry of 7 Years from the date of declaration of dividend.
- (vi) The Company incurred Cash Loss at the end of the financial year
- (vii) 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.
- (viii) 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.
- (ix) The company as per requirements of Stock exchange has appointed a women director in the board.
- (x) 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.



- (xi) The company has redeemed during the period under review a sum of Rs. 51 Lakhs towards redemption of debentures. The company has initiated plans for disposal of land to redeem further debentures. The debenture holders have also agreed to wait for redemption in this regard.
- (xii) The company has taken up a serious drive for recovery of bad debts. The company has already moved the matter in most of the cases for appointment of Arbitrator for settlement of dues and has succeeded in most of the cases. Hence there will be improvement in recovery of bad debts in the future.
- (xiii) The company has applied to reserve bank of India for change of license from category 'A' to Category 'B'. So that public deposits need not be taken for financing. The matter is in progress.
- (xiv) The company on account of losses incurred had not declared any dividend to the shareholders during the current year.
- (xv) The company had paid TDS, Income Tax, PF, ESI and other statutory liabilities in time and we observe that there is no default in this regard.
- (xvi) 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.
- (xvii) The company did not have any term loan outstanding during the year.
- (xviii) 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 N. RAMAKRISHNAN  
Chartered Accountant  
Membership number: 012527

Sd/-

Place: Chennai  
Date: 24-05-2016



**"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, 2016 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 (the "Guidance Note") 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, 2016, based on Internal Audit Report which is reviewed by the board on monthly basis and action initiated wherever necessary.

For N. RAMAKRISHNAN  
Chartered Accountant  
Membership number: 012527

Sd/-

Place: Chennai  
Date: 24-05-2016



**INDO ASIA FINANCE LIMITED**  
**NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017**  
**BALANCE SHEET AS AT 31.03.2016**

Sl. No	Particulars	Note No	As at	
			31-Mar-2016	31-Mar-2015
<b>A</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Shareholders' funds</b>			
	(a) Share Capital	1	90,000,000	90,000,000
	(b) Share Application Money		60,000,000	60,000,000
	(c) Reserves and Surplus	2	(26,625,317)	(5,444,307)
			<b>123,374,683</b>	<b>144,555,693</b>
<b>2</b>	<b>Non-current liabilities</b>			
	(a) Long-Term Borrowings	3	24,600,000	30,671,852
	(c) Other Long-Term Liabilities	4	-	-
	(d) Long-Term Provisions	5	8,265,398	2,890,478
			<b>32,865,398</b>	<b>33,562,330</b>
<b>3</b>	<b>Current liabilities</b>			
	(a) Short-Term Borrowings	6	14,664,480	37,326,715
	(c) Other Current Liabilities	7	7,372,587	7,119,742
	(d) Short-Term Provisions	8	-	-
			<b>22,037,067</b>	<b>44,446,457</b>
	<b>TOTAL</b>		<b>178,277,148</b>	<b>222,564,480</b>
<b>B</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-Current Assets</b>			
	(a) Fixed Assets			
	(i) Tangible Assets	9	8,154,444	9,684,452
	(b) Non-Current Investments	10	369,831	35,575,019
	(c) Deferred Tax Assets (net)		4,043,899	3,830,954
	(d) Long-Term Loans and Advances		-	-
	(e) Other Non-Current Assets		-	-
			<b>12,568,174</b>	<b>49,090,425</b>
<b>2</b>	<b>Current Assets</b>			
	(a) Current Investments		-	-
	(c) Cash and Bank Balances	11	1,602,492	409,066
	(d) Short-Term Loans and Advances	12	139,098,799	148,057,305
	(e) Other Current Assets	13	25,007,683	25,007,683
			<b>165,708,974</b>	<b>173,474,054</b>
	<b>TOTAL</b>		<b>178,277,148</b>	<b>222,564,480</b>

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

As per my report of even dated for N.RAMAKRISHNAN  
[CHARTERED ACCOUNTANT]

Sd/-

Sd/-

Sd/-

PADHAM J CHALLANI  
[DIRECTOR]  
[DIN. NO: 00052216]

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

N.RAMAKRISHNAN  
[PROPRIETOR]  
[M. NO: 12527]

Place Chennai  
Date: 24th May, 2016



**INDO ASIA FINANCE LIMITED**  
**NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2016**

Sl. No	Particulars	Note No	For the	For the 6 Month
			year ended	period ended
			31-Mar-2016	31-Mar-2015
<b>A</b>	<b>INCOME</b>			
1	Revenue from Operations	14	5,597,535	6,388,812
2	Other Income	15	2,244,570	230,325,187
3	<b>Total</b>		<b>7,842,105</b>	<b>236,713,999</b>
4	<b>Expenses</b>			
	(a) Finance Costs	16	9,178,418	18,496,109
	(b) Employee Benefits Expense	17	6,054,572	5,317,031
	(c) Depreciation and Amortisation Expense	9	1,610,809	798,173
	(d) Other Expenses	18	5,005,850	4,065,640
	(e) Provisions / Write offs	19	7,386,611	251,829,789
	<b>Total expenses</b>		<b>29,236,060</b>	<b>280,506,741</b>
5	<b>Profit before exceptional and extraordinary items and tax (3 -</b>		<b>(21,393,955)</b>	<b>(43,792,742)</b>
6	Exceptional Items			-
7	<b>Profit before extraordinary items and tax (5 ± 6)</b>		<b>(21,393,955)</b>	<b>(43,792,742)</b>
8	Extraordinary Items			
9	<b>Profit before Tax (7 ± 8)</b>		<b>(21,393,955)</b>	<b>(43,792,742)</b>
10	<b>Tax expense:</b>			
	(a) Current tax expense			-
	(b) Deferred Tax Expense	20	(212,945)	135,112
	(b) Short Provisions of Tax of Earlier Years			
11	<b>Profit After Tax from Continuing Operations (9 ± 10)</b>		<b>(21,181,010)</b>	<b>(43,927,854)</b>
12	<b>Earnings per share (excluding extraordinary items) (of ` 10/- each):</b>			
	(a) Basic & Diluted			
	(i) Continuing operations		(2.35)	(4.88)
	(ii) Total operations		(2.35)	(4.88)

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

As per my report of even dated  
for N.RAMAKRISHNAN  
[CHARTERED ACCOUNTANT]

Sd/-

Sd/-

Sd/-

PADHAM J CHALLANI  
[DIRECTOR]  
[DIN. NO: 00052216]

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

N.RAMAKRISHNAN  
[PROPRIETOR]  
[M. NO: 12527]

Place: Chennai  
Date: 24th May, 2016


**CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2016**

PARTICULARS	FOR THE YEAR ENDED 31-03-2016		FOR THE 6 MONTH PERIOD ENDED 31-03-2015	
<b>I CASH FLOW FROM OPERATING ACTIVITY</b>				
a. Net profit before tax & Extraordinary item	(21,393,955)		(43,792,742)	
b. Adjustment for non-cash & non-operating items				
Add : Non-operating & Non-Cash Expenses				
Depreciation debited to P&L A/c	1,610,809		798,173	
Interest and Finance Charges	9,178,418		18,496,109	
Provision and written off	7,386,611		251,829,789	
	(3,218,117)		227,331,329	
Less : Non-Operating & Non-Cash income	-		-	
Profit On Sale of Fixed Assets	-		(229,947,759)	
Depreciation reversed	-		(367,375)	
Dividend	(16,998)		(200)	
Interest on Govt Bonds	-		-	
c. Operating Profit before Working Capital changes	(3,235,115)		(2,984,006)	
Adjustment for working capital changes				
Decrease / (Increase) in working capital	7,199,659		(2,297,057)	
d. Cash Generated from operations	3,964,544		(5,281,063)	
e. Less : Taxes Paid				
i. Income Taxes Paid	-		-	
ii. Wealth/Fringe Benefit Taxes Paid	-		-	
f. Cash Flow Before Extraordinary item	3,964,544		(5,281,063)	
g. Extraordinary item	-		-	
<b>Net Cash from Operating Activity</b>	<b>3,964,544</b>	<b>3,964,544</b>	<b>(5,281,063)</b>	<b>(5,281,063)</b>
<b>II CASH FLOW FROM INVESTMENTS ACTIVITY</b>				
a. Purchase of fixed assets	(80,800)		-	
b. Dividend Received	16,998		200	
c. Sale of fixed assets	-		312,470,000	
d. Investment in Fixed Deposit	-		(35,000,000)	
e. Receipt from Shares	205,188		-	
f. Closure of FD	35,000,000		-	
<b>Net cash used in Investing activity</b>	<b>35,141,386</b>	<b>35,141,386</b>	<b>277,470,200</b>	<b>277,470,200</b>
<b>III CASH FLOW FROM FINANCING ACTIVITY</b>				
Capital Raised				
a. Repayment of Secured borrowings	(34,079,775)		(268,810,212)	
b. Proceeds from unsecured loans	5,345,688		(5,447,202)	
c. proceeds from application money for shares	-		60,000,000	
d. Interest paid on Loan	(9,178,418)		(17,524,257)	
e. Deposits from JV Partner	-		(40,000,000)	
<b>Net Cash used in financing activity</b>	<b>(37,912,505)</b>	<b>(37,912,505)</b>	<b>(272,781,671)</b>	<b>(272,781,671)</b>
<b>IV NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS (I+II+III)</b>		<b>1,193,425</b>		<b>(592,534)</b>
<b>V Opening Cash &amp; Cash Equivalents</b>				
a. Cash in Hand & Nationalised banks		<b>409,066</b>	<b>1,001,599</b>	<b>1,001,599</b>
<b>VI Closing balance of cash &amp; Cash Equivalents</b>		<b>1,602,492</b>		<b>409,066</b>
<b>Reconciliation</b>				
<b>Closing balance of Cash &amp; Cash Equivalents</b>				
a. Cash in Hand & Nationalised banks	1,602,492		409,066	
	-	<b>1,602,492</b>		<b>409,066</b>

**Notes :**

a. Figures in brackets represents outflows.  
b. Previous year figures have been recast/restated wherever necessary.  
for and on behalf of the Board  
for INDO ASIA FINANCE LIMITED

As Per My Report of Even date  
for N.RAMAKRISHNAN  
CHARTERED ACCOUNTANT

Sd/-

Sd/-

Sd/-

PADHAM J CHALLANI  
[DIRECTOR]  
[DIN. NO:00052216]

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

N.RAMAKRISHNAN  
PROPRIETOR  
[M. NO. 12627]

PLACE : CHENNAI  
Date: May 24,2016



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

**NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	As at	
		31.03.2016	31.03.2015
	<b>Authorised Share Capital</b>		
	<b>Ordinary Shares</b>		
	1,55,10,000 Equity Shares of ₹ 10/-each	155,100,000	155,100,000
	<b>Issued,Subscribed and fully paid up</b>		
	90,00,000(Previous year- 90,00,000 ) Equity Shares of ₹ 10/-each.	<b>90,000,000</b>	<b>90,000,000</b>
	Share Application Money	<b>60,000,000</b>	<b>60,000,000</b>
<b>2</b>	<b>RESERVES AND SURPLUS</b>		
	<b>Capital Reserve</b>	72,000	72,000
	<b>Revaluation Reserve</b>	-	(1)
	<b>General Reserve</b>	4,250,000	4,250,000
	<b>Statutory Reserve</b> pursuant to Section 45-1c of the RBI Act,1934		
	Balance as at the beginning of the year	28,075,550	28,075,550
	Add: Transferred from Profit & Loss A/c	-	
		<b>28,075,550</b>	<b>28,075,550</b>
	<b>Surplus-balance in Statement of Profit and Loss</b>		
	Balance as at the beginning of the year	(37,841,857)	7,274,220
	Add: Current year profit	(21,181,010)	(43,927,853)
	Less: Transfer to General Reserve	-	-
	Less: Transfer to Special Reserve	-	-
	Less: Depreciation	-	1,188,223
	Balance as at the end of the Period	(59,022,867)	(37,841,857)
	<b>TOTAL RESERVES AND SURPLUS</b>	<b>(26,625,317)</b>	<b>(5,444,307)</b>
	<b>NON-CURRENT LIABILITIES</b>		
<b>3</b>	<b>LONG TERM BORROWINGS</b>		
	<b>Secured Borrowings</b>		
	<b>12 % Non-Convertible Redeemable Debentures</b>	24,600,000	30,671,852
	( Secured by Specific Assets covered under Hypothecation Loan Agreements- Redeemable at the end of 12 months. with an option to renew for a further period of 12 months)		
	Term Loan from Bank -installments due after one year	-	-
		<b>24,600,000</b>	<b>30,671,852</b>
	<b>Unsecured Borrowings</b>		
	From Group Company	-	-
	<b>TOTAL LONG TERM BORROWINGS</b>	<b>24,600,000</b>	<b>30,671,852</b>
<b>4</b>	<b>OTHER LONG TERM LIABILITIES</b>	-	-
<b>5</b>	<b>LONG TERM PROVISIONS</b>		
	Contingent Provisions against Standard assets	-	-
	Provision for Standard & Sub Standard assets	8,006,698	2,631,778
	Provision for Debenture Interest	-	-
	Non-Performing Assets	-	-
	NPA Finance Charges	-	-
	Diminution in Investments	258,700	258,700
		<b>8,265,398</b>	<b>2,890,478</b>



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

**NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	As at	
		31.03.2016	31.03.2015
	<b>CURRENT LIABILITIES</b>		
<b>6</b>	<b>SHORT-TERM BORROWINGS</b>		
	Secured Borrowings		
	Cash Credit from Banks	-	28,007,923
	(Secured by specific assets under Hypothecation Loan agreements and Equitable Mortgage over GN Chetty road property)		
	Term Loan from Bank (installments due within a Year)		-
		-	28,007,923
	Loans and advances		
	From Related Party	14,664,480	9,318,792
		-	-
	<b>TOTAL SHORT TERM BORROWINGS</b>	<b>14,664,480</b>	<b>37,326,715</b>
<b>7</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Unclaimed Dividends	153,281	347,081
	Sundry Creditors for expenses	3,094,840	2,373,583
	Income-tax payable	3,677,183	3,664,819
	Other Payables	447,284	734,259
		<b>7,372,587</b>	<b>7,119,742</b>
<b>8</b>	<b>SHORT-TERM PROVISIONS</b>		
	Income-Tax	-	-
		-	-



**INDO ASIA FINANCE LIMITED**  
**NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS**  
**AS AT Mar 31, 2016**

**9 NON-CURRENT-TANGIBLE FIXED ASSETS AS AT 31.03.2016**  
**GROSS BLOCK(COST/VALUATION)**

SL. No.	PARTICULARS	GROSS BLOCK(COST/VALUATION)			DEPRECIATION			NET BLOCK			
		As At 31.03.2015	Additions	Disposals	As At 31.03.2016	Up to 31.03.2015	Chargeduring the Period TO P&L	Disposals TO R&S	Up to 31.03.2016	As At 31.03.2015	As At 31.03.2016
1	Land	2,281,105.25	-	-	2,281,105.25	-	-	-	-	2,281,105.25	2,281,105.25
2	Building	1,567,658.00	-	-	1,567,658.00	24,815.84	-	-	273,675.43	1,318,798.41	1,293,882.57
3	Plant & Machinery	966,850.00	-	-	966,850.00	60,390.89	-	-	645,255.25	381,985.64	321,594.75
4	Furniture & Fittings	5,233,322.00	-	-	5,233,322.00	810,911.79	-	-	3,133,350.23	2,910,883.56	2,099,971.77
5	Electrical Installatio	236,464.00	-	-	236,464.00	236,464.00	-	-	236,464.00	-	-
6	Office Equipments	7,304,026.00	80,800.00	-	7,384,826.00	270,070.27	-	-	6,837,187.10	738,909.17	547,638.90
7	Computer Software	899,461.00	-	-	899,461.00	297,233.39	347,495.10	-	444,728.49	592,227.61	444,732.51
8	Vehicles	7,914,503.00	-	-	7,914,503.00	297,124.70	-	-	6,742,084.96	1,462,342.74	1,165,418.04
	<b>TOTAL</b>	<b>26,392,389.25</b>	<b>80,800.00</b>	<b>-</b>	<b>26,473,189.25</b>	<b>1,610,808.59</b>	<b>-</b>	<b>-</b>	<b>18,319,745.45</b>	<b>9,684,452.39</b>	<b>8,154,443.80</b>

As per my report of even dated

for N.RAMAKRISHNAN

[CHARTERED ACCOUNTANT]

Sd/-

**PADHAM J CHALLANI**  
 [DIRECTOR]  
 [DIN. NO:0052216]

Sd/-

**LAKSHMI NARASHIMA RAO**  
 [DIRECTOR]  
 [DIN. NO:01275880]

Sd/-

**N.RAMAKRISHNAN**  
 PROPRIETOR  
 [M. NO: 12527]





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

**NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	For the year ended 31.03.2016		For the 6 Month period ended 31.03.2015	
		No. of shares	Amount in (Rs.)	No. of shares	Amount in (Rs.)
10	NON-CURRENT INVESTMENT				
	A.Trade Investments	-	NIL	-	NIL
	B.OTHER INVESTMENTS				
	<b>Investment in Equity shares</b>				
	1) Associates	-	NIL	-	NIL
	2) Others				
	Equity Shares fully paid-up				
	<b>QUOTED-DEMAT</b>				
	KOPRAN LIMITED	2,000	251,100	2,000	251,100
	HINUSTHAN UNILEVER LIMITED	10	1,000	10	1,000
	INDIAN BANK	696	63,336	696	63,336
	UMANG DAIRIESLIMITED	200	2,000	200	2,000
	WIM PLAST LTD.	200	2,000	200	2,000
	SubTotal A	3,106	319,436	3,106	319,436
	<b>QUOTED -PHYSICAL</b>				
	GNFC LTD.	266	2,660	266	2,660
	GRUH FINANCE LTD.	100	1,000	100	1,000
	Comp-U-Learntec india Ltd.	1,000	13,735	1,000	13,735
	Sub total B	1,366	17,395	1,366	17,395
	Total A+B	4,472	336,831	4,472	336,831
	<b>UNQUOTED-DEMAT</b>				
	COMPUTER POWER (INDIA) LTD.	25,000	25,000	25,000	25,000
	ONIDA FINANCE LIMITED	800	8,000	800	8,000
	Total	25,800	33,000	25,800	33,000
	<b>Fixed Deposit</b>				
	PNB CC Fixed Deposit				35,000,000
	<b>Total investments in Equity Shares</b>	<b>30,272</b>	<b>369,831</b>	<b>30,272</b>	<b>35,369,831</b>
	<b>Investment in Government Securities</b>				
	7.32% A.P State Development Loan-2016 (Stutory Liquid Asset in accordance with the norms prescribed by the R.B.I.)			2,000	205,188
	<b>TOTAL NON CURRENT INVESTMENTS</b>		<b>369,831</b>		<b>35,575,019</b>
	<b>Quoted Investments</b>				
	Cost		336,831		336,831
	Market Value		547,539		513,427
	Provision Made for Diminutions in investment		258,700		258,700



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

**NOTES RELATING TO BALANCE SHEET FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	FOR THE YEAR ENDED		
		31.03.2016	31.03.2015	
11	<b>CASH AND CASH EQUIVALENTS</b>			
	<b>Balances with Banks</b>			
	In Current Accounts	187,916	(958,620)	
	In Un Claimed Dividend Account	41,903	347,081	
		<b>229,819</b>	<b>(611,539)</b>	
	<b>Cash on hand</b>	<b>1,372,673</b>	<b>1,020,605</b>	
	<b>Total Cash &amp; Bank Balances</b>	<b>1,602,492</b>	<b>409,066</b>	
12	<b>SHORT TERM LOANS AND ADVANCES</b>			
	<b>Hypothecation Loans</b>			
	<b>Secured- Considered Good</b>			
	Outstanding for Less than Five months	410,377	42,258,377	
	Outstanding for more than Five months	27,045,000	5,642,866	
		27,455,377	47,901,243	
	<b>Secured- Considered Doubtful</b>			
	Outstanding for more than One Year	9,408,144		
		<b>36,863,521</b>	<b>47,901,243</b>	
	<b>Un Secured- Considered Good</b>			
	Outstanding for Less than six months			
	Related Parties	-	-	
	Other Debtors	100,787,926	97,115,017	
		<b>137,651,447</b>	<b>145,016,260</b>	
		<b>Other Loans &amp; Advances</b>		
	<b>(Un secured- Considered Good )</b>			
	To Related Parties			
Group Companies	-	1,358,767		
Employees	51,401	139,056		
To Others				
Security Deposits				
Rental Advance	1,170,000	1,200,000		
Telephone /Electricity Deposits	105,830	203,731		
Deposits with Sales -tax Department	92,120	92,120		
Other Advances recoverable in Cash or in kind or Value to be received	28,000	47,370		
	<b>1,447,351</b>	<b>3,041,044</b>		
	<b>SHORT TERM LOANS AND ADVANCES - TOT</b>	<b>139,098,798</b>	<b>148,057,304</b>	
13	<b>OTHER CURRENT ASSETS</b>			
	<b>Prepaid Expenses-Professional Charges</b>		-	
	<b>Income-tax Refund Receivable</b>	4,000,000	4,000,000	
	<b>Advance &amp; other Payment of Income Tax</b>	21,007,683	21,007,683	
	<b>OTHER CURRENT ASSETS</b>	<b>25,007,683</b>	<b>25,007,683</b>	



**INDO ASIA FINANCE LIMITED**  
**NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2016**

NOTE NO.	PARTICULARS	For the year ended	For the 6 Month period ended
		31.03.2016	31.03.2015
<b>14</b>	<b>REVENUE FROM OPERATION</b>		
	Interest Income on Hypothecation Loans	5,597,535	6,311,456
	Other Fee based services Franchise Operation	-	77,356
		<b>5,597,535</b>	<b>6,388,812</b>
<b>15</b>	<b>OTHER INCOME</b>		
	Dividend	16,998	200
	Bad Debts Recovered	2,209,700	-
	Profit on sale of fixed assets	-	229,947,759
	Others	17,872	9,853
	Depreciation Reversed	-	367,375
		<b>2,244,570</b>	<b>230,325,187</b>
<b>16</b>	<b>FINANCE COST</b>		
	Interest Expenses		
	Debentures	3,093,646	1,823,852
	Bank Loans	6,084,773	16,641,111
	Car Loan	-	31,146
		<b>9,178,418</b>	<b>18,496,109</b>
<b>17</b>	<b>EMPLOYEE BENEFITS EXPENSES</b>		
	Salaries, Allowances and Bonus	5,483,441	5,081,704
	Contribution to Provident Fund	36,692	21,931
	Contribution to ESI	38,115	22,806
	Contribution to Labour Welfare Fund	320	224
	Staff Welfare Expenses	20,499	13,807
	Staff Canteen Maintenance	475,505	176,559
		<b>6,054,572</b>	<b>5,317,031</b>

**INDO ASIA FINANCE LIMITED  
NO. 15, NEW GIRI ROAD, T. NAGAR, CHENNAI- 600 017****NOTES RELATING TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2016**

<b>NOTE NO.</b>	<b>PARTICULARS</b>	<b>For the year ended</b>	<b>For the 6 Month period ended</b>
		<b>31.03.2016</b>	<b>31.03.2015</b>
<b>18</b>	<b>OTHER EXPENSES</b>		
	Rent	1,570,320	510,360
	Rates and Taxes	64,599	12,007
	Insurance	-	51,055
	Communication expenses	437,777	194,894
	Travelling and Conveyance	137,238	70,749
	Printing and Stationery	187,117	101,484
	Advertisement charges	138,381	54,636
	Business Promotion expenses	235,851	146,300
	Vehicle maintenance	310,929	266,515
	Electricity expenses	437,510	91,877
	Fees and Subscription	336,005	82,237
	Bank charges and Commission	3,397	1,405,073
	Court Fees and Legal Expenses	4,958	60,556
	Payment to Auditor:		
	Audit Fees	15,000	56,180
	Tax Audit Fees	-	-
	AGM & Meeting Expenses	120,734	-
	Out of Pocket Expenses	-	-
	Certification	-	-
	Professional and Consultation Fees	608,649	261,750
	Brokerage and Commission	-	-
	Donations, Charity and Scholarship	29,932	31,005
	Directors remuneration & Sitting fees	25,000	12,500
	Discount allowed	-	76,406
	Pooja expenses	4,703	3,029
	Computer maintenance	173,624	32,836
	Repairs and Office maintenance	161,736	419,746
	Loss on sale of Fixed Assets	-	-
	Miscellaneous Expenses	2,190	124,445
		<b>5,005,650</b>	<b>4,065,640</b>
<b>19</b>	<b>PROVISIONS &amp; WRITE OFFS</b>		
	Provision for Standard & Sub Standard assets	5,374,920	694,470
	Provision against NPA	-	-
	Provision against NPA Finance Charges	-	-


**INDO ASIA FINANCE LIMITED**

**Schedule to the Balance Sheet for the period ended 31st March 2016**  
 [as required in terms of paragraph 9BB of **Non-Banking Financial Companies**  
 Prudential Norms(Reserve Bank) Directions 2007]

(Rs. in Lakhs)

	Particulars	Amount out- standing	Amount overdue
	<b>Liabilities side:</b>		
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:		
	(a) Debentures : Secured	246.00	0.00
	: Unsecured	0.00	0.00
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	0.00	0.00
	(c) Term Loans	0.00	0.00
	(d) Inter-corporate loans and borrowing	146.64	0.00
	(e) Commercial Paper	0.00	0.00
	(f) Public Deposits	0.00	0.00
	(g) Other Loans (Loan from Franchiser)	0.00	0.00
		392.64	0.00
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	<b>Particulars</b>	<b>Amount outstanding</b>	
	<b>Assets side:</b>		
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:		
	(a) Secured		
	(b) Unsecured		14.47
(4)	Break up of Leased Assets and Stock on hire and hypothecation loans counting towards EL/HP activities		
	(i) Lease assets including lease rentals under sundry debtors:		
	(a) Financial lease		0.00
	(b) Operating lease		0.00
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on Hire		368.64
	(b) Repossessed Assets		0.00
	(iii) Hypothecation loans counting towards EL/HP activities:		
	(a) Loans where assets have been repossessed		0.00
	(b) Loans other than (a)above		1,007.88



## INDO ASIA FINANCE LIMITED

## Schedule to the Balance Sheet for the period ended 31st March 2015

[as required in terms of paragraph 9BB of Non-Banking Financial Companies

Prudential Norms(Reserve Bank) Directions 2007]

	Particulars	Amount out-standing	Market Value
(5)	<b>Break-up of Investments:</b>		
	<b>Current Investments :</b>		
	1. <b>Quoted :</b>	0	0
	(i) Shares: (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (Please specify)		
	2. <b>Unquoted :</b>	0	0
	(i) Shares: (a) Equity		
	(b) Preference		
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (Please specify)		
	<b>Long Term investments:</b>		
	1. <b>Quoted :</b>		
	(i) Shares: (a) Equity	3.37	5.19
	(b) Preference	0	0
	(ii) Debentures and Bonds		
	(iii) Units of mutual funds		
	(iv) Government Securities		
	(v) Others (Bank Deposits)		
	2. <b>Unquoted :</b>		
	(I) Shares: (a) Equity	0.33	0.28
	(b) Preference	0.00	0.00
	(ii) Debentures and Bonds	0.00	0.00
	(iii) Units of mutual funds	0.00	0.00
	(iv) Government Securities	0.00	0.00
	(v) Others - Bank Deposits	0.00	0.00
	Total	3.70	5.48
	Less: Provision for Diminution for long term investments	2.58	2.58
	Total	1.12	2.90

**INDO ASIA FINANCE LIMITED****Schedule to the Balance Sheet for the period ended 31st March 2016**

[as required in terms of paragraph 9BB of Non-Banking Financial Companies

Prudential Norms(Reserve Bank) Directions 2007]

<b>(6) Borrower group-wise classification of all leased assets, stock-on -hire and loans and advances :</b>			
Category	Amount of net provisions		
	Secured	Unsecured	Total
1.Related Parties			
(a) Subsidiaries	0.00	0.00	0.00
(b) Companies in the same group	0.00	0.00	0.00
(c) Other related parties	0.00	0.00	0.00
2.Other than related parties	1376.51	0.00	1376.51
<b>Total</b>	<b>1376.51</b>	<b>0.00</b>	<b>1376.51</b>
<b>(7) Investor group-wise classification of all investments ( current and long term) in shares and securities (both quoted and unquoted)</b>			
Category	Value/Break up or fair value or NAV	Book Value (Net of Provisions)	
1.Related Parties			
(a) Subsidiaries	0.00	0.00	
(b) Companies in the same group	0.00	0.00	
(c) Other related parties	0.00	0.00	
2.Other than related parties	3.70	5.48	
<b>Total</b>	<b>3.70</b>	<b>5.48</b>	
<b>(8) Other Information</b>			
	Particulars	Amount	
(i)	Gross Non-Performing Assets		
	(a) Related Parties		0.00
	(b) Other than related parties		0.00
(ii)	Net Non-Performing Assets		
	(a) Related Parties		0.00
	(b) Other than related parties		0.00
(iii)	Assets acquired in satisfaction of debt (During the year)		0.00

As per my report of even dated

for N.RAMAKRISHNAN  
[CHARTERED ACCOUNTANT]

Sd/-

N.RAMAKRISHNAN  
[PROPRIETOR]  
[M. NO: 12527]  
Date: May 24, 2016

Sd/-

Padham J Challani  
[Director]  
[DIN. NO: 00052216]

Sd/-

Lakshmi Narashma Rao  
[Director]  
[DIN. NO: 01275880]



## INDO ASIA FINANCE LIMITED

## 21. NOTES TO THE ACCOUNTS

## 1. SIGNIFICANT ACCOUNTING POLICIES:

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

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

## b) Income Recognition:

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

(ii) The company has followed prudential norms prescribed by the Reserve Bank of India in respect of income recognition, valuation of investments, capital adequacy and provisioning for non-performing assets.

## c) Expenditure:

Expenses are accounted on accrual basis except in the case of bonus to employees and contingent liabilities, which are accounted in the year of payment.

## d) Fixed Assets:

Fixed Assets are stated at historical cost less accumulated depreciation.

## e) Depreciation:

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

## f) Valuation of Investments:

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

## g) Internal Audits

The Company has appointed SL Gadhiya & Co., Chartered Accountant as internal auditors. They are submitting reports on Monthly intervals and these reports are regularly review by the board and corrective action wherever necessary is taken by the board.

## h) Taxes on Income:

Provision for current tax is made after taking into consideration benefits admissible under provisions of Income Tax Act, 1961. Deferred Tax resulting from 'timing difference' between book profit and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the balance sheet date. The Deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

## i) Debenture Interest

When compared with previous year there is reduction. This mainly due the fact that previous is for six months and the current is for one year.

## j) Bad Debts Recovered

During the current year due to efforts put in by us we have recovered a sum of Rs.22,09,700/- This has been accounted as Bad Debts Recovered and treated as income in our income statement. The above amount includes a sum of Rs.22,09,700/- towards bad debts written off during the previous year 31-03-2015. We have taken all steps possible including filing a suit as well as bringing the parties for settlements by appointment of Arbitrator for early settlement. In most of the accounts we have succeeded for settlement through arbitrator. We expect substantial improvements during the coming years in this regard.

## k) Provision for Hypothecation Debts

as per the norms applicable to NBFC we have made provisions at the rate of .35 for Standard assets and 25% for substandard assets. Wherever there are loss assets we have provided 100%.

The total provision made is as under.

	No. of Accounts	Amount Outstanding	Provision Made.
Standard Assets	2	410,377	410
Sub Standard Assets	8	28,194,536	4,344,134
Doubts full Assets	34	7,661,090	3,064,636
Loss Assets	1	597,518	597,518
<b>Total</b>	<b>45</b>	<b>36,863,521</b>	<b>8,006,698</b>

Provision held in the previous FY 2014-15

(2,631,778)

Provision held in the current FY 2015-16

5,374,920

During the current year the company has not extended any further advances and concentrated only on recoveries.




**k) Change of Category**

We have been granted NBFC License under Category A, which allow us to raise public deposits for funding. However during the next year we indent to change the category to B, since we are not raising any public deposits for the past Four years for funding purposes. We indent to approach RBI in this regard during the current year.

**l) Statutory Liability**

The company has no defaulted in payment of TDS, Income Tax, Advance Tax, Provided fund, ESI and other statutory payments as of 31-03-2016

**2 BALANCE SHEET**

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

Amount	Rate of Interest	Security
246.00	12%	Floating Charge on the receivables from unencumbered Hire Purchase and Leasing Assets
Lacs		

The company during the year has redeemed debentures to the extent of Rs.51 Lakhs. We have requested debenture holders for time to redeem the debentures. The company is making payment of interest on debentures regularly. The company has plans to dispose off some land to redeem the liability. Negotiation for disposal of land is under way.

- b) Other secured loans are secured against the specific assets purchased under hire purchase scheme/securitisation.
- c) The stock on hire represents installments & other dues Net of advance hire charges, and the cost of repossessed assets.
- d) The sundry debtors and creditors balances are subject to confirmation and reconciliation.

**3 PROFIT AND LOSS ACCOUNT**

a) Interest paid/credited to directors on Directors Loans." NIL " / - (previous year " NIL ").

b) Auditor's Remuneration

	12 Months Ended 31.03.2016	6 months ended 31.03.2015
For Statutory Audit, Tax Audit , Limited Review,	Rs.50,000/-	Rs.56,180/-

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

	12 Months Ended 31.03.2016	6 months ended 31.03.2015
Salary	800,000	-
Perquisites(Valued as per I.T Rules)	-	-
Sitting Fees	25,000	12,500
	<b>825,000</b>	<b>12,500</b>

d) Mrs. Pooja Challani has been appointed as Women Director on 26th September, 2015 and resigned on 4th March, 2016. In her place Mrs. Swapna Pawan Kochar has been appointed on 4th March, 2016 as Women Director. Thereby stock exchange stipulations with respect to appointment of women director has been complied with.

- e) i) Since no commission is paid/payable to any director, the Computation of net profit in accordance with Section 198 of the companies Act, 2013 has not been made.
- f) ii) Managerial remuneration has been made within the limits prescribed under section 197 read with Schedule XIII of the Companies Act, 2013

**4 GENERAL**

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

b) Earnings per share:

	12 Months Ended 31.03.2016	6 months ended 31.03.2015
Profit for the year after taxation (in Rs.) A	(21,181,010.07)	(43,927,854.41)
Number of equity shares of Face Value of Rs.10/- each	9,000,000.00	9,000,000.00
Basic and diluted Earning Per Share (in Rs.) (A/B)	(2.35)	(4.88)

c) Related Party Transactions:

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

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

SNO.	Name of the related party	Relationship	Remarks
1	PADHAM J CHALLANI	Key Management Personnel	Director
2	Pooja Challani	Relatives of Key Management Personnel	Women Director
3	Padham J Challani (Hu)	Relatives of Key Management Personnel	Relatives of Managing Director



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

Particulars	Associates	Key Management Personnel	Relative of Key Management Personnel
Managerial Remuneration	-	-	-
Rent Payments - J Padhamchand Huf	-	-	1.00
Rent Payment - P Shobha	-	-	2.60
Interest Receivable-on Short Term	-	-	-
Un Secured Loan Payable	146.64	-	-

**d) Dividend**

During the current year the company has not declare any dividend due to losses. The Company has unclaimed dividend of Rs.3.47 Lakhs, out of which a sum of Rs. 1.94 Lakhs had transferred to Investor Education & Protection Fund, and the excess amount of Rs. 1.53 Lakhs will be transferred to IEPF account after the expiry of 7 Years from the date of declaration of dividend.

**e) Contingent Liabilities:**

S.No.	Particulars	12 Months Ended 31.03.2016	6 months ended 31.03.2015
1	Estimated amount of contracts remaining to	NIL	NIL
2	Deposited Sales Tax liability of Rs. 92,120/-	92,120	92,120

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

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

**h) INCOME TAX AND TDS**

The company has several pending assessments in various stages. The company had gone an appeal against dues levied by income tax department and such appeal are pending. However the company had made payments in such a way that even if the assessment goes against the company there will be no tax outflow.

- i) As identified by management and relied upon by the auditors there is no amount due to Small Scale Industries in terms of "The Micro, Small and Medium Enterprises Development Act,2006".  
j) Previous year figures are regrouped/reclassified/rearranged wherever necessary.  
k) Previous year figures are for the period of 6 months and current year figures are for the period of 12 months.

As per our report of even date attached

For N.RAMAKRISHNAN  
Chartered Accountants

Sd/-

PADHAM J CHALLANI  
[DIRECTOR]  
[DIN. NO: 00052216]

Sd/-

N.RAMAKRISHNAN  
PROPREITOR  
[M. NO: 12527]

Sd/-

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

Place: Chennai  
Date: May 24,2016

**Form No. MGT-11  
Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]  
CIN: L65191TN1990PLC019060

Name of the company: INDO ASIA FINANCE LIMITED  
Registered office: 15 NEW GIRI ROAD, T.NAGAR, CHENNAI 600 017

Name of the member(s):  
Registered Address:  
E-mail id:  
Folio No./ Client Id:  
DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

2. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

3. Name: .....  
Address:  
E-mail Id:  
Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual  
General meeting of the company, to be held on 20<sup>th</sup> September, 2016 from 11.00 a.m.  
at Shankar Business Space, No.5/4, Nana Street, T. Nagar, Chennai - 600 017  
(Near Pandy Bazaar Post Office) Cell : +91-9840165682 and any adjournment thereof.

Affix  
Revenue  
Stamp

Signed this.....day of..... 20....

Signature of shareholder

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered  
Office of the Company, not less than 48 hours before the commencement of the Meeting.**



**Attendance slip**

Please Fill the Attendance Slip and Hand it over at the entrance of the Meeting Venue

Joint shareholders may obtain additional Attendance Slip on request

DP Id:

Client Id:

Reg. Folio no.

No. of shares held:

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the **Twenty Sixth Annual General Meeting** of the Company held on \_\_\_\_\_ at \_\_\_\_\_ a.m. at \_\_\_\_\_

Signature of the member/ proxy

Signature of the member/ proxy