



Indus Finance Ltd

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Transcript – IFL AGM – 30th September, 2020

Good afternoon Ladies and Gentlemen. With immense pleasure we commence the 29th Annual General Meeting. In terms of and as per Article No.13.7 of the Articles of Association of the Company, the Chairman of the Board Presides to be the Chairman of the Annual General Meeting. Now I request Shri. Bala V Kutti, Chairman to takeover.

Good afternoon Ladies and Gentlemen.

I welcome you all to the 29th Annual General Meeting of our Company being held through Video Conference at the Registered Office of the Company.

My sincere thanks to all of you for the support extended all these years

The necessary quorum for the Meeting is 15. We already have 17 Shareholders in the meeting, attending through Video Conference. Quorum being present, we may now commence the proceedings.

Since the meeting is through electronic media, the requirement of appointing Proxies is not applicable.

Electronic voting facility at the AGM is being made available to enable members, who have not cast their votes through remote e-voting to exercise their voting rights. The e-voting window is available throughout the AGM.

The statutory registers as required by law will be made available for inspection on request being made by the shareholders.

Details about the E-Meeting

On account of hardship caused by COVID-19 pandemic, this meeting is being conducted through video conferencing facility in accordance with the framework issued by the Ministry of Corporate Affairs & SEBI.

The Annual Reports of the Company for FY 2019-20 have therefore been sent through electronic media to all those shareholders whose email ids were registered with the Company and Depositories. Details with respect to voting at the AGM have been detailed in the Annual Report in page Nos.4 to 9

The facility of joining the AGM through Video Conference or Other Audio Visual Means is being made available to the Members on first come first served basis.

The Moderator will facilitate the session for the registered speakers once we open the floor for questions.



Before we start the main proceedings of the meeting, I take pleasure in introducing my fellow Board Members and Senior Executives. I have with me Mr. Nirajan R Jagtap Independent Director, Chairman of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Dr. K.R. Shyamsundar Independent Director, Member of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Ms. K.B.K. Vasuki Additional Director.

I am happy to inform that all the Directors are attending this AGM.

Along with the Directors, we also with us, Mr. V. Kannappan, Chief Financial Officer, Mr. N. Bhaskara Chakkerla Chief Executive Officer and Mr. K.K. Dinakar, Company Secretary. The Statutory Auditor and Secretarial Auditors of the Company.

AGM Business

We may now commence to transact the business contained in the Notice dated 29th July, 2020.

With the permission of the Members present, the AGM Notice, Directors Report along with Annexures thereto for the financial year ended 31st March 2020 which have already been circulated to members, may be please taken as read.

Now I request Mr. K.K. Dinakar, Company Secretary to read qualifications contained in the Independent Auditor's Report for the financial year ended 31st March 2020. Directors Report Contains response to said Qualification.

We refer to note no 5 of the Ind AS Financial Statements under Investments, out of the total investments of Rs 1,146 Lakhs an amount of Rs 115.59 Lakhs is relating to an Investment in Indowind Energy Limited, a BSE and NSE listed company. An order of admission has been pronounced by the Madras High court vide CD No. 172/2011 dated 20.05.2020. The company has appealed against this order and it stands numbered before the Division bench at Madras High Court. Under these circumstances we are unable to ascertain the recoverability of this investment.

Chairman may take over. As there are no questions from shareholders, I shall take up the resolutions as set out in the notice.

The following resolutions were recommended by the Board for the Approval of Members.

Since the meeting is through electronic mode, no proposing and seconding of Resolutions will be there.

Item Nos. 1 to 3 set out as an "ordinary business" in the notice of the meeting are as under, Resolution No.

1. To Consider and to adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2020 and Reports of the Board of Directors and the Auditors thereon.

2. To appoint a Director in the place of myself who retires at the meeting in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers myself for Re-appointment.
3. Appointment of statutory Auditors –Appointment of M/s. Sanjiv Shah & Association, Chartered Accountant, as Statutory Auditor of the Company.

Item Nos. 4 and 5 set out as a “special business” in the notice of the meeting are as under:

4. To continue the directorship of Mr.Niranjan R Jagtap irrespective of his age as per regulation 17(1A) of SEBI (Listing Obligation and Disclosure Requirement) Regulations.
5. Appointment of Ms. K.B.K Vasuki as an Independent Director

So before we go to next proceedings, like, let me also read my speech for the 29th AGM

Ladies & Gentlemen,

It is a privilege to welcome you all to the 29th Annual General Meeting of your company for the Financial year 2019-20 being held here today. The Director's Report and the Audited Financial Statements for the year ended 31st March 2020 are already with you and with your permission, I take them as read.

At the outset, I thank you all for your esteemed presence as well as participation, continued trust and patronage extended to the Company for all these years particularly during the difficult situation on account of Pandemic caused by Covid-19.

Before I touch upon the performance of the Company, I wish to give a brief on the macro environment the Company operated in the last fiscal particularly the 2nd half.

Financial Sector: While the Financial Sector world over faced a turmoil in the 2nd half, Indian economy was squarely disturbed by the failure of large NBFCs resulting in huge liquidity crunch, asset-liability mismatch, and trust deficit. However, the Government of India quickly took some remedial measures and the RBI took many measures to ease the situation. With the economy already heading south, the Pandemic caused by Covid-19 in the second half made the position deteriorate further in the last quarter, with the Central Government declaring it as a Natural Calamity. With Banks and Mutual funds further reducing their exposure to the NBFC sector, consolidation became the only option available to many NBFCs for their survival.

Though the world is slowly learning to live with the dreaded disease, the Industries are yet to function fully, and the businesses are yet to open up. Though it appears that the clock has been set back for the growing economy, India is expected to bounce back shortly considering the success achieved by country as a whole in containing the disease which was expected to cause huge disaster. I am also glad to place before you that the Company has taken adequate measures and issued necessary SOPs to safeguard the interest of all the employees of the Company.

Company's Performance: Caution is the word IFL picked up for the last couple of years. This has made us to survive against all odds. To fall in line strictly with the Regulatory norms your Company has done away with many non-business-related items in the balance sheet which will make the other income negligible henceforth. The Financial year 2020 saw a mixed result as far as performance is concerned. While some of the old loans got recovered under compelling reason like discharge of debt required for cancellation of mortgage, CIRP under

the IBC in NCLT etc, there was slippage of a few accounts to NPA attributing to economic slowdown and liquidity crunch. Thus, Interest income earned from operation for the period under review is much higher compared to the previous year. With complete lockdown in the first quarter of the current fiscal and partial opening of certain sectors in the second it is very difficult to predict the performance during the current fiscal. However, the cautious approach of the Company had helped all these years and I am sure the same trend shall continue if not a robust business.

Acknowledgment: Lastly, it is my duty to express my sincere thanks to all those who have been associated with your company. On behalf of the Board of Directors I take this opportunity to place on record my sincere gratitude to our shareholders, Business associates, bankers, government and the employee setc for their continued support and the confidence they have reposed in the management.

Now regarding the Voting: In the terms of SEBI (Listing Obligation and Disclosure Requirement) and the Companies Act, 2013, the company had provided the E-voting facility to vote on AGM subjects. The remote e-voting commenced at 9.00 AM on 27th September 2020 and ended at 5.00 pm on 29th September 2020. Several members have exercised their voting through the facility.

Electronic voting facility at the AGM is being made available to enable members, who have not cast their votes through remote E-Voting to exercise their voting rights. The e-voting will end 15 minutes from the end of this meeting.

Mr.R.Kannan Practising Company Secretary has been appointed as the scrutinizer for conducting the E-Voting process in fair and transparent manner.

Combined results of remote E-voting and E-Voting during AGM on the Resolutions will be considered for approval of the Resolutions.

The results will be declared within 48 hours based on scrutinizer's report and the same would be published on the Company's website & uploaded on BSE website.

I now declare the proceedings of this meeting as closed. Thank you all.

Thank you with your permission. We are concluding this. Yeah, yeah okay. Go ahead. Thank you. Thank you. Thanks

The Meeting Concluded at 4.11 P.M