26th ANNUAL REPORT
2016-17

INDUS FINANCE LIMITED

INDUS FINANCE LIMITED

BOARD OF DIRECTORS

1. Mr. BALA V KUTTI	-	CHAIRMAN
2. Mr. NIRANJAN R JAGTAP	-	INDEPENDENT DIRECTOR
3. Dr. K.R. SHYAMSUNDAR	-	INDEPENDENT DIRECTOR
4. Ms. ALICE CHHIKARA	-	DIRECTOR

COMPANY SECRETARY

K.K. DINAKAR

AUDITORS
STATUTORY

M/s. V. RAMARATNAM & CO.
CHARTERED ACCOUNTANTS
Address :
26, 4th Street, Abhirama Puram,
Chennai - 600 018.
Email : admin@vramaratnam.com

INTERNAL

S. VASUDEVAN & ASSOCIATES
CHARTERED ACCOUNTANTS
Address:
B1-H2 Newtech Indira, Jafferkhanpet,
Ashok Nagar, Chennai- 600 083.
Email : vaudev@yahoo.com

BANKERS

DCB BANK LIMITED
AXIS BANK LIMITED

REGISTERED OFFICE

"KOTHARI BUILDINGS", 4th FLOOR,
114, MAHATMA GANDHI SALAI,
NUNGAMBAKKAM,
CHENNAI - 600 034.
TEL : 044-28330867 / 23881310
FAX : 044-28330208
E-MAIL - contact@indusfinance.in
Website - www.indusfinance.in

REGISTRAR AND SHARE TRANSFER AGENT

CAMEO CORPORATE SERVICES LIMITED,
"SUBRAMANIAN BUILDINGS",
No.1, CLUB HOUSE ROAD,
CHENNAI - 600 002.
TEL : 044-28460390
FAX : 044-28460129
E-MAIL - murali@cameoindia.co.in

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NOTICE

NOTICE : is hereby given that 26th Annual General Meeting of Indus Finance Limited CIN:L65191TN1992PLC022317 will be held at The **Music Academy, New No.168, T.T.K. Road, Royapettah, Chennai- 600 014** on Thursday, **31st August 2017 at 3.00 PM** to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance sheet as 31st March 2017 and the Profit and Loss Account for the year ended on that together of the Directors and Auditors thereon.
2. To appoint a Director in the place of **Ms. Alice Chhikara** (having Director Identification No.00088920) who retires by rotation and being eligible offers herself for reappointment.
3. Appointment of Auditor.

To consider and if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of sections 139,142 and other applicable provisions, if any, of the Companies Act, 2013(the Act) and the Companies (Audit and Auditors) Rules, 2014, (the rules) (including any statutory modifications or re-enactments thereof for the time being in force) M/s. V. Ramaratnam& Co, Chartered Accountants, Chennai having (ICAI firm registration no. 002956S) who have offered themselves for re – appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act and Rule 4 of the Company Rules 2014, be and are hereby Re-appointed as statutory Auditors of the Company for the Company's financial year 2017-18 to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed upon by the Board of Directors and the Auditors, in addition to service tax and re-imbursement of out of pocket expenses incurred by them in connection with the audit of Accounts of the Company."

BY ORDER OF THE BOARD
For INDUS FINANCE LTD

Place: Chennai - 600 034.
Date: 29th April 2017

K.K. Dinakar
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM/HER SELF AND THE PROXY NEED NOT BE A MEMBER.**
2. The Proxy form duly completed stamped and signed should reach the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3. Members seeking any information are requested to write to the company at least 10 days in advance so as to enable the company to keep the information ready.
4. Members are requested to bring their copy of the Annual Report to the Meeting.
5. Members are requested to bring with them the Attendance slip and hand it over at the entrance duly filled in and signed by them.
6. The Register of Members and Share Transfer Book will remain closed from **25th August 2017 to 31st August 2017** (both days inclusive)

7. Members whose shareholding is in the electronic mode are requested to inform change of address notifications and updates of saving bank account details to their respective Depository participant(s). Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.

8. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will as per section 124 of the Companies Act 2013 (section 205A of the erstwhile Companies Act 1956) be transferred to the Investors Education and Protection Fund.

9. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

10. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

11. Member are requested to inform their change of address (with PIN code) e-mail id, nominations, etc., to the Registrars and share Transfer Agents (RTA) of the Company in respect of shares held in physical form and their Depository participants in respect of shares held in electronic form.

12. Information regarding the Directors proposed to be reappointed pursuant to SEBI (LODR) Regulations, 2015.

13. Pursuant to the provision of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members in respect of the business to be transacted at the AGM scheduled to be held on Thursday, August 31 2017 at 3.00 PM with a request to follow the instructions for voting electronically as under:-

The voting period begins on 28th August 2017 at 9.00 A.M. and ends on 30th August 2017 at 5.00 P.M. During this period the shareholders of the Company, holding shares either in physical form on in dematerialized form as on the cut-off date (record date 24th August 2017) may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

In case of member receiving e-mail:

i. Log on to the e-voting website www.evotingindia.com during the voting period.

ii. Click on “Shareholders”

iii. Now, select “INDUS FINANCE LIMITED” from the drop down menu and click on “SUBMIT”

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 and voted on an earlier voting of any Company, then your existing password is to be used.

vii) If you are a first time use follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alphe-numeric "PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) "Members who have not updated their PAN with the Company Depository Participant their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio 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 folio number 100 then enter RA00000100 in the PAN field.
DOB #	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account of 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. # 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 number of shares held by you as on the cutoff date in the Dividend Bank details field.

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

ix. Members holding shares in physical form will then reach directly the EVSN 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 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 of "INDUS FINANCE LIMITED" 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 password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Non-individual shareholders (i.e. other than individual HUF, NRI, etc) and (corporate / custodians are required to log on to https://www.evotingindia.co.in and register themselves as Corporates.
- A scanned copy of Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details they have to create a Corporate user who 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 and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting you may contact company secretary Mr.K.K.Dinakar on 044-28330867 or contact@indusfinance.in
- In case you have any queries or issues regarding e-voting you may refer the Frequently Asked Questions ("FAQ") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com
- The Company has appointed Mr. R.Kannan, Practicing Company Secretary, Chennai (C.P. No. 3363) to act as scrutinizer for conducting the electronic voting process in a fair and transparent manner.
- In case of members receiving the physical copy, please follow all steps from sl. No. (i) to sl. No. (xvii) Above to cast vote.
- The voting rights of the shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 24th August 2017
- A copy of this Notice has been placed on the website of the Company and the website of CDSL.

14 The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman or a person authorized by him in writing will disclose the results forthwith. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.indusfinance.in , CDSL website and the same will also be communicated to the Stock Exchange.

The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the company as on 24th August 2017.

Members who did not cast their vote through e-voting during the e-voting period shall be allowed to cast their vote at the AGM through ballot paper. Members who have voted through e-voting can attend the meeting but cannot vote again through ballot paper at AGM.

BY ORDER OF THE BOARD
For INDUS FINANCE LTD

Place: Chennai - 600 034.
Date: 29th April 2017

K.K. Dinakar
Company Secretary

ANNEXURE TO NOTICE

BRIEF PROFILE OF MS. ALICE CHHIKARA

Ms. Alice Chhikara, has over 14 years' experience in Investment, Asset Management and Corporate Finance. She has gained rich experience while working with globally renowned financial institutions such as Deutsche Bank. She has been involved in investment and management of Renewable Energy Assets. She led the Asia operations of a London headquartered Investment Banking Boutique focused of raising capital for mid-sized Asian companies. She has extensive experience in capital reorganization, refinancing and restructuring. Alice holds a degree in Banking & Finance from London School of Economics & Political Sciences. The information pertaining to her to be provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is furnished in the Report on Corporate Governance which is forming part of the Annual Report.

REPORT OF THE DIRECTORS AND MANAGEMENT DISCUSSIONS AND ANALYSIS OF INDUS FINANCE LIMITED

To

The Members

Your Directors are pleased to present this 26th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2017

FINANCIAL HIGHLIGHTS AND PERFORMANCE (₹. in Million)

PARTICULARS	2016-17	2015-16
Income from Operations	23.41	32.63
Other Income	10.59	12.81
Gross Receipts	**34.00**	**45.44**
Expenses	32.66	36.01
Depreciation & Amortization	0.18	0.15
Total Expenses	**32.84**	**36.16**
PBT	1.16	9.28
TAX	0.45	2.67
PAT	0.71	6.61
Proposed Dividend / Dividend	Nil	3.70
Proposed Dividend Tax / Dividend Tax	Nil	0.75
Transfer to Statutory Reserve	0.14	1.32

FINANCIAL PERFORMANCE

During the period under review, your Company focused on recovery and selective redeployment in secured lending, considering the volatile market conditions. As a result, the total revenue receipts witnessed a drop which is in line with the drop in our financing cost consequently the profits have also dropped. In view of inadequacy of profits your company is not in a position to recommend dividend for the year under review.

ECONOMIC SCENARIO AND OUTLOOK

Though growth appeared to be slow temporarily as a result of disruptions to consumption and business activity on account of Demonitisation of high-denomination bank notes from circulation, India remained one of the fastest growing emerging market economies, with overall overlook remaining positive.

NBFCs also performed better in terms of asset quality, even though the bad loan norms for these firms are not as stringent as those for full-fledged commercial banks.

According to The World Bank, the Indian economy was expected to grow at 7 per cent in 2016-17, followed by further acceleration to 7.6 per cent in 2017-18 and 7.8 per cent in 2018-19. Demonitisation is expected to have a positive impact on the Indian economy, which will help foster a clean and digitised economy in the long run, according to The World Bank.

Non-banking financial companies (NBFCs) improved their performance on most metrics in the last fiscal year, as the banking industry struggled under the weight of a growing pile of bad loans.

Non-banking finance companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field.This needs to be addressed to help NBFCs realise their full potential and

thereby perform their duties with greater efficiency.

The latest Financial Stability report [FSR] released by the Regulator, RBI reflects the overall assessment on the stability of India's financial system and its resilience to risks emanating from global and domestic factors. The Report also discusses issues relating to development and regulation of the financial sector. According to the FSR;

- Reforms in foreign direct investment, implementation of goods and services tax (GST), and revival in external demand are likely to contribute to a better growth outlook. The capital market indices moved to a higher territory reflecting these positive sentiments.
- Under asset quality pressures, credit intermediation by banks has retrenched and that by NBFCs and mutual funds has increased significantly.
- The aggregate balance sheet of the NBFC sector expanded by 14.5 per cent during 2016-17, their net profit was down by 2.9 per cent.
- As of March 2017, there were 11,517 non-banking financial companies (NBFCs) registered with the Reserve Bank, of which 179 are deposit-accepting (NBFCs-D). There were 220 Systemically Important Non-Deposit accepting NBFCs (NBFCs- ND-SI).. All NBFC-D and NBFCs-ND-SI are subjected to prudential regulations such as capital adequacy requirements and provisioning norms along with reporting requirements.

MARKET SCENARIO:

According to FSR, Domestically macroeconomic conditions remained stable and the expectations of accelerated reforms and political stability further reinforced the overall positive business sentiment. Retail inflation witnessed significant decline during the recent quarters and the real gross value added (GVA) growth decelerated to 6.6 per cent in 2016-17 from 7.9 per cent in 2015-16, largely reflecting slowdown in services. Government's commitment to fiscal discipline had a positive impact on macroeconomic outlook. The impact of Demonetisation, if any, on exchange rate and portfolio flows was momentary. Amidst concerns over asset quality, credit intermediation by public sector banks has retrenched while that by NBFCs and mutual funds has increased significantly. Notwithstanding the current benign conditions, it is important to guard against geopolitical risks.

FUTURE OUT LOOK:

Innovation and diversification are the important contributors to achieve the desired objectives. The NBFC sector in India has undergone a significant transformation over the past few years. It has come to be recognised as one of the systemically important components of the financial system and has shown consistent year-on-year growth. NBFCs play a critical role in the core development of infrastructure, transport, employment generation, wealth creation opportunities, and financial support for economically weaker sections; they also make a huge contribution to state exchequer. With the launch of the Digital India programme, a flagship programme of the Government of India to digitally empower society, NBFCs will have to find ways to serve the millennial customers through digital mean.

In order to compete in this changing lending landscape, NBFCs need to realise the immense value of alternative data and make investments in technology and analytics to develop advanced credit scoring models that leverage both traditional and non-traditional data sources. NBFCs will need to develop behaviour-based credit risk models on the lines of those developed by online lenders, which incorporate the social graph, personal network, employment history and educational background of the borrower into their credit scoring rules. Customers who are qualified to obtain credit but are unable to do so because of their credit score (or lack thereof) will specifically benefit from the use of alternative credit scoring mechanisms that work alongside the NBFC's traditional credit underwriting model.

India's financial system remains stable, even though the banking sector continues to face significant challenges. While the global growth outlook and market sentiments have improved, political stability on the

domestic front has further reinforced expectations of accelerated reforms, overall positive business sentiment and macroeconomic stability. With market condition still being volatile, the full impact of GST yet be known and with SCBs busy in cleaning up operations [of NPAs] IFL being a loan company does not wish to be aggressive in lending for one more year. The wait& watch and cautious approach all these years has helped your company to survive, compared to those who disappeared from the scene.

OPPORTUNITIES &THREATS:

The biggest opportunity NBFCs had all these years was that they played very crucial role in channelizing the scare financial resources to capital formation and became an integral part of the lending where banks had major role. In addition they could reach the remote area where banks could not. With the mounting NPAs, the SCBs busy in cleaning the balance sheet there is tremendous scope for the NBFCs to quickly grasp the business opportunity. But there are many "new banks" coming up and they have an aggressive standpoint, much similar to NBFCs, except that they function with a lower cost of capital. The introduction of the Goods and Services Tax has affected most industries. The interest income, which is the main source of revenues for most NBFCs, will not be affected. There will be a marginal increase in the tax rate. But instead, there will be more leveling of the playing field.

RISKS & CONCERNS:

The biggest risk NBFCs face is making sure that the loan is paid back. While the business risk associated with operating environment, ownership structure, Management, System & Policy and Corporate Governance, the financial risk lies in Asset Quality, Liquidity, Profitability and Capital Adequacy. The unabated increase in NPA of the commercial banks is also a concern to NBFCs as the sector cannot survive at the cost of the downfall of another sector. Every Financial Institution irrespective of the size is subject to various kinds of business as well as financial risk. With the business risk is more concerned with the operating environment, falling or deteriorating economy will increase the risk associated with the business IFCL recognizes these risks and makes best effort to mitigate them in time.

NUMBER OF MEETINGS OF BOARD

Indus Finance Ltd, held 4 Board Meetings during the year ended 31st March 2017. These were on 24th May 2016, 30th July 2016, 31st October 2016 and 8th February 2017.

DIRECTOR

Ms. Alice Chhikara is retiring in the forth-coming 26th AGM of the company and being eligible, offers herself for re-appointment.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTOR UNDER SECTION 149 (6) OF COMPANIES ACT 2013

The Company has obtained declaration from the Independent Directors that they meet the criteria of Independence has provided in section 149 (6) of the Companies Act 2013

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 (3) (c) and 134 (5) of the Companies Act, 2013, the Board of Directors hereby state that;

1. In the presentation of the Annual accounts, applicable standards have been followed and there are no material departures.
2. The Directors have selected such accounting policies and apply them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2017 and profit for the Company for the year ended 31st March 2017

3. The Directors have taken proper and sufficient care in the maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities
4. The Directors have prepared the annual accounts on a going concern basis; and
5. The Directors, in the case of listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This policy is accordingly derived from the said charter.

1. Criteria of Selection of Non-Executive Directors

a. The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

b. In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

c. The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

d. The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.

   i. Qualification, expertise and experience of the Directors in their respective fields.

   ii. Personal, Professional or business standing:

   iii. Diversity of the Board.

e. In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and their engagement level.

2. Remuneration :

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings

i. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)

ii. The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company

3. CEO, Managing Director / Whole Time Director – Criteria for selection / appointment

For the purpose of selection of the CEO, Managing Director / Whole Time Director, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

4. Remuneration for the CEO, Managing Director / Whole Time Director

i. At the time of appointment or re-appointment, the CEO, Managing Director / Whole Time Director, shall be paid such remuneration as may be mutually agreed between the Companies (which includes the N&R Committee and the Board of Directors) and the CEO, Managing Director / Whole Time Director, within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

iii. The remuneration of the CEO, Managing Director / Whole Time Director, component comprises salary allowances, perquisites, amenities and retirement benefits.

5. Remuneration Policy for the Senior Management Employees

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure / consider the following:

i. The relationship of remuneration and performance benchmark is clear;

ii. The remuneration component comprising salaries, perquisites and retirement benefits;

iii. The remuneration including annual increment is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement.

iv. N&R Committee will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors, whilst recommending the annual increment.

AUDIT COMMITTEE

A qualified and independent Audit Committee of the Board of the company is functioning. It monitors and supervises the Management's financial reporting process with a view to ensure accurate and proper disclosure, transparency and quality of financial reporting. The committee reviews the financial and risk management policies and also the adequacy of internal control systems and holds discussions with Statutory Auditors and Internal Auditors. This is enhancing the credibility of the financial disclosures of the company and also provides transparency.

The company continued to derive immense benefit from the deliberation of the Audit Committee comprising of Mr. Niranjan R. Jagtap, Mr. Bala V. Kutti and Dr. K.R. Shyamsundar who are highly experienced and having knowledge in project finance, accounts and company law. Mr. Nirajan R. Jagtap, Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee. The minutes of each Audit Committee meeting are placed before, and discussed in the full by the Board.

THE RATIO OF THE REMUNERATION OF EACH DIRECTORS TO THE MEDIAN REMUNERATION OF THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2016-17 ARE GIVEN BELOW

Name of the Directors	Ratio to Median Employee remuneration
Mr. Bala V Kutti - Executive Chairman	7.68
Dr. K.R. Shyamsundar – Independent Director	0.19
Mr. Niranjan R Jagtap–Independent Director	0.19
Ms. Alice Chhikara – Non Executive Director	0.02

THE PERCENTAGE INCREASE IN REMUNERATION OF DIRECTORS, KMP AND MEDIAN EMPLOYEE FOR THE FINANCIAL YEAR 2016-17

There is no increase in remuneration to the Directors, KMP and median employee during the financial year 2016-17.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

Mr. V. Kannappan has been appointed as CFO of the Company as on the date of this report and there is no resignation of Directors and Key Managerial Personnel of the Company during the year under review.

INDUSTRIAL RELATIONS AND PARTICULARS OF EMPLOYEES

As of 31st March 2017, Your Company has 8 employees on its rolls. The employees will be inducted in to permanent services of the Company after training; to fill up vacancies as when arises. Your company has not issued any shares under Employees' Stock option Scheme during the year under review.

VARIATIONS IN THE MARKET CAPITALISATION OF THE COMPANY, PRICE EARNINGS RATIO AS AT THE CLOSING DATE OF THE CURRENT FINANCIAL YEAR AND PREVIOUS FINANCIAL YEAR.

Particulars	March 31, 2017	March 31, 2016	% Change
Market Capitalization (Rs.)	13,19,30,775/-	9,25,83,000/-	42.50
Price earnings ratio	63.82	43.48	46.78

PERCENTAGE OF INCREASE OR DECREASE IN THE MARKET QUOTATION OF THE SHARES IN COMPARISON TO THE RATE AT WHICH THE COMPANY CAME OUT WITH THE LAST PUBLIC OFFER

Price of public offer Rs. 30/-. Market price as on 31.03.2017, Rs. 14.25. Difference (Rs. -15.75) (-52.5%)

THE KEY PARAMETERS FOR ANY VARIABLE COMPONENT OF REMUNERATION AVAILED BY THE DIRECTORS

None

THE RAIO 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 THEY EAR

None

LIST OF EMPLOYEES WHO ARE IN RECEIPT OF REMUNERATION MORE THAN THE STIPULATED AMOUNT MENTIONED UNDER RULE 5 (2) OF COMPANIES (APPOINTMENT AND REMUNERATION) RULES 2014

None

AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY

The Company affirms remuneration is as per the remuneration policy of the Company.

CORPORATE GOVERNANCE

Your Company has complied with the requirements regarding Corporate Governance as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 entered in to with the Stock exchanges where the Company's shares are listed. A Report on the Corporate Governance in this regard is made as a part of this Annual Report and a certificate from the Auditors of Your Company regarding compliance of the conditions of the Corporate Governance is attached to this report.

LISTING OF EQUITY SHARES

Your Company's equity shares are continued to be listed on the Bombay Stock Exchange Ltd, Mumbai during the year under review.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS:

Detailed information is provided in respect of loans under long term loans and advances in Note No. 10 of Notes forming part of the financial statements, similarly detailed information is provided under Non-Current Investments in Note No. 9 of Notes forming part of the financial statements. As regards guarantee, the Company has not provided any guarantee to any person or Bodies Corporates.

BUSINESS RISK MANAGEMENT:

The Company has developed a Risk Management Policy by identifying the elements of risk which are mentioned below. The risk management approach at various levels inclining documentation and reporting seeks to create transparency, minimize adverse impact on the business objectives and enhance the company's competitive advantage.

The Business risk is associated with operating environment, ownership structure, Management System & Policy and Corporate Governance.

The Financial risk lies in Asset Quality, Liquidity, Profitability and Capital Adequacy, IFL recognizes these risks and makes best effort to mitigate them in time.

One of the major concerns for the sector is the deteriorating asset quality in the banking sector which has certain indirect impact on the asset qualities of NBFCs also. Any negative growth of the industry, irrespective of the sector has some adverse effect on the workings of the NBFCs. IFL has always kept in mind the uncertainties and their mitigation while conducting the business.

BOARD EVALUATION:

Pursuant to the provisions of the companies Act 2013, and Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance the directors individually as well as the evaluation of the of its Audit, nomination and remuneration and compliance committees. The manner in which the valuation has been carried out has been explained in the Corporate Governance report.

DEPOSITS:

During the year under review the company has not accepted any deposits from the public within the ambit of section 73 of the companies Act, 2013 and The companies (Acceptance of Deposits) Rules, 2014.

There is no significant / material order passed by the Judicial / Regulatory authorities during the year under review.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY ANY COURTS DURING THE UNDER REVIEW:

None.

WHISTLE BLOWER POLICY

The Company has a whistle blower policy to deal with instance of fraud and mismanagement if an any. The detail of the policy is explained in the Corporate Governance Report and posted on the website of the company.

FINANCIAL STATEMENTS OF THE SUBSIDIARY COMPANY IF ANY

None

AUDITORS

M/s.V.Ramaratnam& Co. retires at the conclusion of this Annual General Meeting and are eligible for reappointment.

EXTRACT OF ANNUAL RETURN

As provided in Sec 92 (3) of the Act the extract of annual return is given in Annexure (1) of this report in the format Form MGT-9, which forms part of this report.

TRANSACTIONS WITH RELATED PARTIES

Detailed information is provided with respect to the list of Related Parties and transactions with them are provided in note No. 18.4 of Notes forming part of the financial statements and also in Form No. AOC-2, under Annexure (II).

SECRETARIAL AUDIT

Mr. R. Kannan PCS is the secretarial auditor of the company for the year under review and his report is attached herewith in Form No. MR-3, under Annexure (III). As regards the observation of the Secretarial Auditor in his report that the company has not appointed CFO for the year under review your company wish to state that Mr. V. Kannappan has been appointed as CFO of the Company as on the date of this report.

ADEQUACY OF INTERNAL CONTROL

Your Company has effective and adequate internal control systems in combination with delegation of powers. The control system is also supported by internal audits and management reviews with documented policies and procedures.

M/s. S. Vasudevan & Associates are the Internal Auditors to continuously monitor and strengthen the financial control procedures in line with the growth operations of the Company.

PARTICULARS REQUIRED UNDER SECTION 134 OF THE COMPANIES ACT, 2013 AND ITS COMPANIES (ACCOUNTS) RULES 2014

The particulars required to be given in terms of section 134 of the Companies Act, 2013 and its Companies (Accounts) Rules, 2014, regarding conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Foreign Exchange outgo are not applicable to Your Company.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks and gratitude to all its Bond holders, Shareholders, Bankers, State Governments, Central Government and its agencies, statutory bodies, suppliers, and customers, for their continued co-operation and excellent support extended to the Company from time to time.

Your Directors place on record their utmost appreciation for the sincere and devoted services rendered by the employees at all levels.

FOR AND ON BEHALF OF THE BOARD OF
INDUS FINANCE LTD.,

Place: Chennai - 600 034
Date: 29th April 2017

Bala V Kutti
Chairman

ANNEXURE I

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31st March 2017

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

FORM NO. MGT-9

I. REGISTRATION AND OTHER DETAILS:

CIN	L65191TN1992PLC022317
Registration Date	11.03.1992
Name of the Company	INDUS FINANCE LIMITED
Category / Sub-Category of the Company	Company limited by shares / Indian – non Government Company
Address of the Registered office and contact details	No.114, Kothari Building, IV Floor, M.G. Road, Nungambakkam, Chennai – 600 034.
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Buildings", No. 1, Club House Road, Chennai- 600 002.

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:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Finance	(6499) Finance	68.84
2	Sale of Electricity	(3510) Power	31.16

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Not Applicable

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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
A. Individuals/HUF	3023697	0	3023697	32.6593	3023697	0	3023697	32.6593	0.0000

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
B. Central Government/ State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
C. Bodies Corporate	3884295	0	3884295	41.9547	3884295	0	3884295	41.9547	0.0000
D. Financial Institutions/ Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
E. Any Other									
Sub - Total (a)(1)	**6907992**	**0**	**6907992**	**74.6140**	**6907992**	**0**	**6907992**	**74.6140**	**0.0000**
2. Foreign									
A. Individuals (non-Resident Individuals/ Foreign Individuals)	0	0	0	0.0000	0	0	0	0.0000	0.0000
B. Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
C. Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
D. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
E. Any Other									
Sub - Total (a)(2)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Total Share Holding Of Promoter And Promoter Group (a) = (a)(1)+(a)(2)	**6907992**	**0**	**6907992**	**74.6140**	**6907992**	**0**	**6907992**	**74.6140**	**0.0000**
B. Public Shareholding									
1. Institutions									
A. Mutual Funds/uti	0	0	0	0.0000	0	0	0	0.0000	0.0000
B. Financial Institutions/ Banks	0	2200	2200	0.0237	0	2200	2200	0.0237	0.0000
C. Central Government/ State Government(s)	0	0	0	0.0000	0	0	0	0.0000	0.0000
D. Venture Capital Funds	0	0	0	0.0000	0	0	0	0.0000	0.0000
E. Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
F. Foreign Institutional Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
G. Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
H. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
I. Any Other									
Sub - Total (b)(1)	**0**	**2200**	**2200**	**0.0237**	**0**	**2200**	**2200**	**0.0237**	**0.0000**
2. Non-institutions									
A. Bodies Corporate	822057	0	822057	8.8791	882661	0	882661	9.5337	0.6545
B. Individuals -									
I Individual Shareholders Holding Nominal Share Capital Upto Rs. 1 Lakh	231463	22400	253863	2.7420	214522	22400	236922	2.5590	-0.1829
II Individual Shareholders Holding Nominal Share Capital In Excess Of Rs. 1 Lakh	1174861	0	1174861	12.6898	1186616	0	1186616	12.8167	0.1269
C. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
D. Any Other									
Clearing Members	10	0	10	0.0001	601	0	601	0.0064	0.0063
Hindu Undivided Families	97015	0	97015	1.0478	41008	0	41008	0.4429	-0.6049
Non Resident Indians	302	0	302	0.0032	300	0	300	0.0032	-0.0000
	97327	0	97327	1.0512	41909	0	41909	0.4526	-0.5985
Sub - Total (b)(2)	**2325708**	**22400**	**2348108**	**25.3621**	**2325708**	**22400**	**2348108**	**25.3621**	**0.0000**
Total Public Shareholding (b) = (b)(1)+(b)(2)	**2325708**	**24600**	**2350308**	**25.3859**	**2325708**	**24600**	**2350308**	**25.3859**	**0.0000**
Total (a)+(b)	**9233700**	**24600**	**9258300**	**100.0000**	**9233700**	**24600**	**9258300**	**100.0000**	**0.0000**
C. Shares Held By Custodians And Against Which Depository Receipts Have Been Issued									
Promoter And Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Custodian (c)	**0**	**0**	**0**	**0.0000**	**0**	**0**	**0**	**0.0000**	**0.0000**
Grand Total (a)+(b)+(c)	**9233700**	**24600**	**9258300**	**100.0000**	**9233700**	**24600**	**9258300**	**100.0000**	**0.0000**

ii) Shareholding of Promoters

Shareholders 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
IND ECO VENTURES LIMITED	2700495	29.1683	-	2700495	29.1683	-
BALA VENCKAT KUTTI	1452400	15.6875	-	1452400	15.6875	-
HAVING SAME PAN						
BALA VENCKAT KUTTI	6111	0.0660	-	6111	0.0660	-
LOYAL CREDIT AND INVESTMENTS LIMITED	1133800	12.2463	-	1133800	12.2463	-
K B PRATHADEVI	783600	8.4637	-	783600	8.4637	-
BALA VENCKAT KUTTI (HUF)	780000	8.4248	-	780000	8.4248	-
INDUS CAPITAL PRIVATE LIMITED	50000	0.5400	-	50000	0.5400	-
K. S. RAVINDRANATH	1586	0.0171	-	1586	0.0171	-

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
Name of the share holder	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
IND ECO VENTURES LIMITED				
At the beginning of the year 01-Apr-2016	2700495	29.1683	2700495	29.1683
At the end of the Year 31-Mar-2017	2700495	29.1683	2700495	29.16832
BALA VENCKAT KUTTI				
At the beginning of the year 01-Apr-2016	1452400	15.6875	1452400	15.6875
At the end of the Year 31-Mar-2017	1452400	15.6875	1452400	15.6875
HAVING SAME PAN				
BALA VENCKAT KUTTI				
At the beginning of the year 01-Apr-2016	6111	0.0660	6111	0.0660
At the end of the Year 31-Mar-2017	6111	0.0660	6111	0.0660
LOYAL CREDIT AND INVESTMENTS LIMITED				
At the beginning of the year 01-Apr-2016	1133800	12.2463	1133800	12.2463
At the end of the Year 31-Mar-2017	1133800	12.2463	1133800	12.2463
K B PRATHADEVI				
At the beginning of the year 01-Apr-2016	783600	8.4637	783600	8.4637
At the end of the Year 31-Mar-2017	783600	8.4637	783600	8.4637
BALA VENCKAT KUTTI				
At the beginning of the year 01-Apr-2016	780000	8.4248	780000	8.4248
At the end of the Year 31-Mar-2017	780000	8.4248	780000	8.4248
INDUS CAPITAL PRIVATE LIMITED				
At the beginning of the year 01-Apr-2016	50000	0.5400	50000	0.5400
At the end of the Year 31-Mar-2017	50000	0.5400	50000	0.5400
K. S. RAVINDRANATH				
At the beginning of the year 01-Apr-2016	1586	0.0171	1586	0.0171
At the end of the Year 31-Mar-2017	1586	0.0171	1586	0.0171

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	COMMENDAM INVESTMENTS PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2016	721806	7.7963	721806	7.7963
	At the end of the Year 31-Mar-2017	721806	7.7963	721806	7.7963
2	K K GOVINDA MOORTHY				
	At the beginning of the year 01-Apr-2016	367400	3.9683	367400	3.9683
	At the end of the Year 31-Mar-2017	367400	3.9683	367400	3.9683
	HAVING SAME PAN				
2	K K GOVINDA MOORTHY				
	At the beginning of the year 01-Apr-2016	2	0.0000	2	0.0000
	At the end of the Year 31-Mar-2017	2	0.0000	2	0.0000
3	ARVIND SHAH				
	At the beginning of the year 01-Apr-2016	95310	1.0294	95310	1.0294
	Purchase 13-Jan-2017	84	0.0009	95394	1.0303
	At the end of the Year 31-Mar-2017	95394	1.0303	95394	1.0303
	HAVING SAME PAN				
3	ARVIND SHANTILAL SHAH				
	At the beginning of the year 01-Apr-2016	11092	0.1198	11092	0.1198
	Sale 17-Jun-2016	-5	0.0000	11087	0.1197
	Sale 24-Jun-2016	-3	0.0000	11084	0.1197
	Sale 22-Jul-2016	-100	0.0010	10984	0.1186
	At the end of the Year 31-Mar-2017	10984	0.1186	10984	0.1186
4	DINESHBHAI RATNABHAI LODHA				
	At the beginning of the year 01-Apr-2016	40777	0.4404	40777	0.4404
	Sale 17-Feb-2017	-40777	0.4404	0	0.0000
	At the end of the Year 31-Mar-2017	0	0.0000	0	0.0000
5	JIGISHA PRAVINCHANDRA SHAH				
	At the beginning of the year 01-Apr-2016	38753	0.4185	38753	0.4185
	At the end of the Year 31-Mar-2017	38753	0.4185	38753	0.4185
6	AMRITA V SHAH				
	At the beginning of the year 01-Apr-2016	36504	0.3942	36504	0.3942
	At the end of the Year 31-Mar-2017	36504	0.3942	36504	0.3942
7	NILESHBHAI ARVINDKUMAR SHAH				
	At the beginning of the year 01-Apr-2016	33000	0.3564	33000	0.3564
	At the end of the Year 31-Mar-2017	33000	0.3564	33000	0.3564
8	PURSHOTTAMBHAI SHANKARBHAI PATEL				
	At the beginning of the year 01-Apr-2016	27500	0.2970	27500	0.2970
	At the end of the Year 31-Mar-2017	27500	0.2970	27500	0.2970
9	GLOBE FINCAP LIMITED				
	At the beginning of the year 01-Apr-2016	24530	0.2649	24530	0.2649
	At the end of the Year 31-Mar-2017	24530	0.2649	24530	0.2649
10	JYOTSANA P PATEL				
	At the beginning of the year 01-Apr-2016	22225	0.2400	22225	0.2400
	At the end of the Year 31-Mar-2017	22225	0.2400	22225	0.2400

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	**Mr. Bala V Kutti, Executive Chairman**				
	At the beginning of the year	1458511	15.75	1458511	15.75
	There is no change in Directors' Shareholding between 01.04.2016 to 31.03.2017				
	At the end of the year	1458511	15.75	1458511	15.75
2	**Mr.Niranjan R jagtap,Director**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
3	**Dr.K.R. .Shyamsundar**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
4	**Ms.Alicechikkara,Director**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
5	**Mr.K.K.Dinakar,Company secretary**				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment as of 31.3.2017

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Crores
Indebtedness at the beginning of the financial year				
i) Principal Amount	15.15	-	-	15.15
ii) Interest due but not paid	0.54	-	-	0.54
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	16.04	-	-	16.04
Change in Indebtedness during the financial year				
Addition	0.56	-	-	0.56
Reduction	2.89	-	-	2.89
Net Change	2.33	-	-	2.33
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid	12.23	-	-	12.23
iii) Interest accrued but not due	0.48	-	-	0.48
Total (i+ii+iii)	13.71	-	-	13.71

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

Sr. No.	Particulars of Remuneration	Mr. Bala V Kutti Exe. Chairman	Total Amount Rs. in Lakhs
	Gross Salary		
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	24.00
	(b) Value of perquisites under Section 17(2) Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of profit	-	-
	others, specify		
	i Deferred bonus (pertaining to the current financial year payable in 2018)		
	ii Retrials	-	-
	Total (A)	**-**	**24.00**

B. Remuneration to other Directors
1. Independent Directors

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount Rs. in Lakhs
		Mr. K. R. Shyamsundar	Mr. Niranjan R Jagtap	
1	-Fee for attending Board/Committee Meetings	0.60	0.60	1.20
2	-Commission	-	-	-
3	-Others, please specify	-	-	-
	Total (B)(1)	**0.60**	**0.60**	**1.20**

2. Other Non-Executive Director

Sr. No.	Particulars of Remuneration	Name of Director Ms. Alice Chhikara	Total Amount Rs. in Lakhs
1	Fee for attending Board/Committee Meetings	0.20	0.20
2	Commission	-	-
3	Others, please specify	-	-
	Total (B)(2)	**0.20**	**0.20**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr.V. Kannappan Chief Financial Officer	Mr. K.K.Dinakar Company Secretary & Head Compliance	Total Amount Lakhs
	Total	**13.20**	**-**	**13.20**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

There were no penalties, punishment or compounding of offences during the year ended March 31, 2017, except payment of Rs.1,00,000/- to the Reserve Bank of India towards ratification of name change approval.

ANNEXURE II

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2017, which were not at Arm's length basis.

2. Details of contracts or arrangements or transactions at Arm's length basis.

Nature of Related Party	Nature of Relationship	Salient Terms	Amount (in Rupees)
Indowind Energy Limited	Associate	Power share	10,596,772
Indowind Energy Limited	Associate	Interest expenses	1,613,542
Balance as at the end of the year			
Indowind Energy Ltd	Associate	Long-term borrowings	95,292,685
Ind Eco Ventures ltd	Associate	Long-term Loans & advances	29,050,000
Indowind Energy Ltd	Associate	Non-Current Investments	57,460,875
Indonet Global Ltd	Associate	Non-Current Investments	11,144,400
Bekae Properties Pvt Ltd	Associate	Non-Current Investments	1,50,00,000
Ind Eco Ventures Ltd	Associate	Non-Current Investments	3,24,930
Indus Nutri Power Pvt Ltd	Associate	Non-Current Investments	12,50,000

ANNEXURE III

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[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 Members,
Indus Finance Limited
Kothari Buildings, 4th Floor,
114 MG Road,
Nungambakkam,
Chennai- 600034

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Indus Finance Limited** (here in after called the company). Secretarial Audit was conducted in a manner that provided me/us are as on able basis for evaluating the corporate conducts/statutory compliance and expressing my opinion there on.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Indus Finance Limited** (here in after called the company). Secretarial Audit was conducted in a manner that provided me/usareasonablebasis for evaluating the corporate conducts/statutory compliance and expressing my opinion there on.

Based on corporate government issued by statutory bodies and My verification of M/s Indus 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 here by report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2017complied with the statutory provision slitted here under and also that the Company has proper Board-processes and compliance-mechanisminplacetotheextent, in the manner and subject to there porting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s Indus Finance Limited** ("the Company") for the financial year ended on March 31, 2017 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

  (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) 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 other laws as may be applicable specifically to the company in our opinion

(a) Reserve Bank of India Act, 1934

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the Bombay Stock Exchange Ltd (BSE) During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

I report that there were no actions / events in pursuance of

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

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

c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(e) No specific violations in respect of Tax laws came to the notice of the undersigned from the review of the said check list. However I report that I have not carried out the audit with reference with the applicable financial laws, such as the Direct and Indirect Tax Laws, as same falls under the review of statutory audit and other designed professionals.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes

I have also examined compliance with the applicable clauses of the following:

i. Secretarial standards on the meetings of the board of directors (SS-1) and General Meeting (SS-2) issued by the institute of Company Secretaries of India (ICSI).

ii. The Listing Agreement entered into by the company with the Bombay Stock Exchange(BSE)

R Kannan
Practicing Company Secretary
FCS No: 6718
C P No: 3363

Place: Chennai
Date: 29/04/2017

REPORT ON CORPORATE GOVERNANCE OF INDUS FINANCE LTD

INTRODUCTION

The company is complying with the mandatory requirements of the Code of Corporate Governance (Code) introduced by the Securities and Exchange Board of India (SEBI) and incorporated in Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015

A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The company is committed to the highest standards of corporate governance in all its activities and business practices. The Company looks at Corporate Governance as a measure to ensure sustained better financial performance and to serve the shareholders by providing better service. The company considers Corporate Governance in its widest sense. The Corporate Governance measures the delivery of Company's objects with a view to translate the ability, opportunity into reality and results. The Board ensures better implementation of the key elements in Corporate Governance like transparency, disclosure, internal controls etc. It takes feedback into account in its reviews of the principles of commitment and growth to ensure better improvement and growth.

The following is the report on the practices of the company on major aspects of corporate governance:

B) COMPOSITION OF THE BOARD

The company has complied with the corporate governance norms in terms of constitution of the board. The Board comprises of 4 Directors and their details are given in following table.

C) NUMBER OF BOARD MEETINGS

Indus Finance Ltd, held 4 Board Meetings during the year ended 31st March 2017. These were on 24th May 2016, 30th July 2016, 31st October 2016 and 8th February 2017.

D) DIRECTORS' ATTENDANCE RECORD AND DIRECTORSHIP HELD

Details of the above are given in Table 1.

TABLE 1 : DETAILS ABOUT BOARD OF DIRECTORS OF INDUS FINANCE LIMITED

Name	Designation	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Other Directorship (in Public Limited Companies)
Mr. Bala V Kutti	Chairman	4	3	Yes	➢ M/s.Ind Eco Ventures Ltd., ➢ M/s.Indowind Energy Ltd., ➢ M/s.Indonet Global Ltd., ➢ M/s.Loyal Credit & Investments Ltd., ➢ M/s. BVK Agri Producers Company Ltd., ➢ M/s. Ever On Power Ltd.,
Mr.Niranjan R Jagtap	Independent Director	4	4	No	➢ M/s.Indowind Energy Ltd., ➢ M/s.Ind Eco Ventures Ltd., ➢ M/s. BVK Agri Producers Company Ltd ➢ Skyline Millars Ltd.,

Name	Designation	Board Meetings held during the year	Board Meetings attended during the year	Whether attended last AGM	Other Directorship (in Public Limited Companies)
Dr. K.R. Shyamsundar	Independent Director	4	4	Yes	➢ M/s.Indowind Energy Ltd.,
Ms. Alice Chhikara	Non Independent Director	4	2	Yes	➢ M/s.Indowind Energy Ltd.,

Independent Director means a Director who, apart from receiving a Director's remuneration does not have any other material pecuniary relationship or transactions with the company, its promoters, its management, or its subsidiaries, which in the judgment of the Board may affect the independence of judgment of the Director.

None of the Directors is a member of more than 10 Board-level committees, or Chairman of more than five such committees, as prescribed under Regulation 26 of (Listing obligations and Disclosure Requirements.) SEBI 2015.

E) INFORMATION SUPPLIED TO THE BOARD:

Among others, this includes:

a) Annual operating plans and budgets and any updates.

b) Quarterly financial results of the company

c) Minutes of meeting of Audit Committee and other committees of the Board

d) Materially important show cause, demand, prosecution and penalty notices

e) Fatal or serious accidents of dangerous occurrences

f) Any materially relevant default in financial obligations to and by the company.

g) Any issue which involves possible public claims of substantial nature

h) Transactions that involve substantial payment towards goodwill, brand equity or intellectual property

i) Sale of material nature, of investments, assets, which is not in the normal course of business

j) Any issue which involves possible public claims of substantial nature

k) Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer.

The Board of M/s. Indus Finance Ltd is routinely presented with information under the above heads whenever applicable and materially significant. These are submitted either as part of the agenda papers well in advance of the Board meetings or are tabled in the course of the Board meetings.

F) COMMITTEES OF THE BOARD

i) AUDIT COMMITTEE

A qualified and Independent Audit Committee of the Board of the company is functioning. It monitors and supervises the Management's financial reporting process with a view to ensure accurate and proper

disclosure, transparency and quality of financial reporting. The committee reviews the financial and risk management policies and also the adequacy of internal control systems and holds discussions with Statutory Auditors and Internal Auditors.

This is enhancing the credibility of the financial disclosures of the company and also provides transparency.

The company continued to derive immense benefit from the deliberation of the Audit Committee comprising of Directors, **Mr. Niranjan R. Jagtap, Dr. K.R. Shyamsundar,** and **Mr. Bala V. Kutti** who are highly experienced and having knowledge in project finance, accounts and company law. **Mr. Nirajan R Jagtap** the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee. The minutes of each Audit Committee meeting are placed before, and discussed in the full by the Board.

The Audit Committee met 4 times during the year ended 31st March 2017.

Attendance records of Audit Committee Members are given in Table 2.

Table 2

Name	No. of meetings held	No. of meetings attended
Mr. Niranjan R Jagtap	4	4
Mr. Bala V Kutti	4	3
Dr. K.R. Shyamsundar	4	4

The terms of reference of the Audit Committee are as follows:

1. Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board the appointment, re-appointment and, if required, the replacement or removal of Auditor and the fixation of audit fees.
3. Approval of payment to Auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference:
    i. Matters required to be included in Director's responsibility statement to be included in the Board's report.
    ii. Changes of any in accounting policies and practices and reasons for the same.
    iii. Major accounting entries involving estimates based on the exercise of judgment by management.
    iv. Significant adjustments made in the financial statement arising out of audit findings.
    v. Compliance with listing and other legal requirements relating to financial statements.
    vi. Disclosure of any party transactions.
    vii. Qualifications in the draft audit report.

(II) STAKE HOLDERS' RELATIONSHIP COMMITTEE

In line with the Companies Act 2013 / Schedule V of SEBI (Listing Obligations and disclosure Requirements) Regulations 2015, the nomenclature of this committee has been changed from Shareholders / Investors' Grievances Committee to Stake Holders' Relationship Committee.

This Committee comprises of the following members of the Board as take in Table 3.

Table 3 :

Name	Designation	No. of meetings held	No. of meetings attended
Mr.Niranjan R Jagtap	Chairman	4	4
Dr. K.R. Shyamsundar	Member	4	4
Mr. Bala V Kutti	Member	4	3

The terms of reference of the Shareholders / Investors' Grievance Committee are as follows:

The shareholder / Investors grievance committee shall be responsible to look into redressal of the grievances of the shareholders and non-receipt of dividend if any.

The Company has received nil complaint during this financial year 31st March 2017.

Mr. K.K. Dinakar Company Secretary of the Company is the Compliance officer.

III) RISK MANAGEMENT COMMITTEE

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & LODR Regulations 2015, the Company has a Risk Management Committee, the details are mentioned in Table 4:

Table 4:

Name of Director	Designation
Mr. Bala V Kutti	Chairman
Mr. Niranjan R Jagtap	Member
Dr. K.R. Shyamsundar	Member

It is an ongoing process within the organization. The management identifies and monitors the risk and takes proper action to minimize the risk. The Committee will meet as and when situation arises.

This Risk Management Committee will go into the various matters involving transactions of the company in assessing the various issues and recommend in devolving procedure and frame work in terms of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015:

(a) Forex Dealings
(b) Position of collection of Outstanding's from Customers and Extending Credit Facilities to Customers
(c) Placing of Orders with Suppliers in respect of Critical components and High value items
(d) Borrowings from Bankers by analyzing the need and interest charged by the Bankers and recommending the same to the Borrowing Committee of the Board for its consideration.
(e) External Borrowings
(f) Capital outlay / Expansion of the company's activities
(g) Statutory Obligation Compliance, Legal Issues if any.
(h) Budgetary allocation and analysis of variation with regard to Budget and actuals.
(i) Diversification of activities and manufacture of new line of Products
(j) Review of Internal Control

This Committee may also invite Consultants in the respective area of specialization for discussions if need be.

At present the Company has not identified any element of risk which may threaten the existence of the company

IV) NOMINATION AND REMUNERATION COMMITTEE

In line with the Companies Act 2013 & (Listing Obligations and Disclosure Requirements) Regulations 2015, the nomenclature of this committee has been changed from Remuneration Committee to Nomination and Remuneration Committee

This Committee consists of the following members of the Board as stated in Table 5

Table 5

Name of Directors	Designation
Mr. Niranjan R Jagtap	Chairman
Dr. K.R. Shyamsundar	Member
Ms. Alice Chhikara	Member

The Committee met two times during the Financial Year 2016 -17 i.e. on 31st October 2016 and 8th February 2017.

The terms of reference of the Remuneration Committee of the Company are as follows:

The Remuneration Committee shall have all necessary powers and authority to ensure appropriate disclosure on the remuneration of the whole-time Director and to deal with all elements of remuneration package of all directors.

G) PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct as per the Guidelines issued by the Securities and Exchange Board of India for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

The Board of Directors and the designated employees have confirmed compliance with the Code.

H) BOARD EVALUVATION

Pursuant to the provisions of the Companies Act, 2013 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Compliance Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of Individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its mandatory shareholders etc. The performance evaluation of the independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

I) WHISTLE BLOWER POLICY

Your Company has established a Whistle blower Policy to enable the stakeholders to report unethical behavior, actual or subtract fraud or violation of the companies' code of contact directly to the Chairman of the Audit Committee. This policy provides adequate safeguards against victimization of Directors / Employees and provides direct access to the Chairman of the Audit Committee. The protected disclosers if any reported under this policy will be appropriately and expeditiously investigated by the Chairman of the Audit Committee.

Your Company here by affirms that no Director / Employee have been denied access to the Chairman of the Audit Committee and that no compliant was received during the year under review. The Whistle Blower policy has been disclosed on the Company's website.

J) MANAGEMENT

Disclosure by management to the Board

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board, and interested Directors neither participate in the discussion, nor do they vote on such matters.

K) SHAREHOLDERS

i) Disclosure regarding appointment or re-appointment of Directors

According to the Articles of Association of the Company, not less than 1/3rd of the Directors who are liable to retire by rotation, shall retire from office. All the Directors are eligible and are offering themselves for re-appointment as and when required.

The profiles of the directors who are to be appointed are mentioned, in brief, in the notice convening the 26th Annual General Meeting.

ii) Shareholding pattern of Directors

As per our Memorandum, the Directors need not hold any Equity Shares as Qualification Shares.

Details as to shareholding of the Directors are furnished in following Table 6:

Table 6:

Name of Director	No. of Shares held as on 31.3.2017	% of Paid-up Equity Share Capital
Mr. Bala V Kutti	1458511	15.75
Mr. Niranjan R Jagtap	NIL	NIL
Dr. K.R. Shyamsundar	NIL	NIL
Ms. Alice Chhikara	NIL	NIL
Total	**1458511**	**15.75**

iii) **Registrar and Transfer Agent**

M/s.Cameo Corporate Services Limited Registrar, who is registered with SEBI as a category II Registrar, have been appointed as the registrar and share transfer agent of the company for both physical and electronic segment and have attended to share transfer formalities regularly.

iv) General Body Meetings

Details of last Three Annual General Meetings are given in following Table 7:

Table 7:

Year	Location	Date	Time
2015-16	No. 25, Hotel Clarion, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004.	16.09.2016	11.30 A.M
2014-15	No. 25, Hotel Clarion, Dr. Radhakrishnan Salai, Mylapore, Chennai – 600 004.	25.09.2015	04.00 P.M
2013-14	114, "Kothari Buildings" IV Floor, M.G.Road, Nungambakkam, Chennai – 600 034.	13.08.2014	11.00 A.M

The special resolutions were passed in the previous three annual general meetings are given in Table 8:

Table 8:

Date of AGM	Subject
28.09.2015	Resolution under Sec 152,161 read with Schedule IV of the companies Act, 2013 for the appointment as on Additional Director of the Company.
	Resolution under Sec 180(1)(c)and other applicable provisions, if any of the companies Act 2013for the borrowing limits of the company
	Resolution under Sec 42, 71 and all other applicable provisions, if any, of the companies Act, 2013 for the private Placement of Non-Convertible Debentures And/or other Debt Securities.
16.09.2016·	Resolution under Sec 149 and 152 read with Schedule IV of the companies Act 2013 for the appointment of Mr. Niranjan R. Jagtap as an Independent Director of the Company.
	Resolution under Sec. 196, 197 read with Schedule V of the Companies Act 2013 for the appointment of Mr. Bala V. Kutti as an Executive Chairman of the Company.

No Special Resolution was passed in the AGM held on 13th August 2014.Similarly there was no resolution requiring approval through postal ballot during the FY 2015-16 and for the FY 2016-17 no such resolution is being proposed to be passed

v) Disclosures:

Disclosure on materially significant related party transactions i.e., transactions of the company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

There are no materially significant related party transactions made by the company with its Promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the company at large.

vi) General Shareholders Information

i) 26th Annual General Meeting for the year 2017 is given in Table 9:

Table 9:

Date	31st August 2017
Time	3.00 p.m.
Venue	The Music Academy, New No.168, T.T.K. Road, Royapettah, Chennai- 600 014
Date of Book Closure	25.08.2017 to 31.08.2017
Registrar and Share Transfer Agent	M/s.Cameo Corporate Services Limited Subramanian Building, No.1 Club House Road, Chennai 600 002 Ph: 044-28460390 Fax: 044-28460129 E-mail: murali@cameoindia.com

ii) Financial calendar

Dates of Adoption of the Quarterly Results for the each quarter are mentioned below:

Table 10:

Quarter ending	Date of results adoption
30th June 2016	30/07/2016
30th September 2016	31/10/2016
31st December 2016	08/02/2017
31st March 2017	29/04/2017

iii) Name of the Stock Exchange where the shares of the company listed are given in Table 11

Table 11

Bombay Stock Exchange Limited, Registered Office: Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.

iv) Scrip Code

Bombay Stock Exchange Limited : 531841

Demat ISIN Number in NSDL and CDSL : INE935D01013

v) Market Price Data are provided in Table 12

Table 12:

Month & Year	BSE	
	Share Price (Rs.)	
	High	Low
April 2016	10.95	9.40
May	12.55	9.03
June	14.80	13.00
July	15.40	14.70
August	16.50	15.00
September	17.30	15.20
October	14.45	10.65
November	15.00	11.25
December	12.50	10.27
January 2017	9.85	8.56
February	12.21	8.63
March	15.50	11.00

(L) MEANS OF COMMUNICATION

As stipulated under Regulation 47 of SEBI (Listing Obligations and Disclosure and Requirements) Regulations 2015, the Quarterly Results are published in one English National Newspaper (News Today) and one Tamil Newspaper (Maalai Sudar) within 48 hours of the conclusion of the Board Meeting in which the results are approved. They are also displayed in the website of the Company www.indusfinance.in

The Company's website also displays official press/news releases and several other details/information of interest to various stakeholders, including the complete Annual Reports and shareholding pattern.

M) DISTRIBUTION OF SHARE HOLDING AS ON 31.3.2017 IS PROVIDED IN TABLE 13

Table 13:

Shareholding	Shares holders		Shares Amount	
	Number	% of total	(in ₹.)	% of total
10 – 5000	604	78.9542	452030	0.4882
5001 – 10000	43	5.6209	373200	0.4030
10001 – 20000	28	3.6601	418410	0.4519
20001 – 30000	12	1.5686	283340	0.3060
30001 – 40000	4	0.5228	150020	0.1620
40001 – 50000	3	0.3921	128110	0.1383
50001 – 100000	19	2.4836	1443620	1.5592
100001 and above	52	6.7973	89334270	96.4910
Total	**765**	**100.0000**	**92583000**	**100.0000**

N) SHAREHOLDING PATTERN AS ON: 31.03.2017 IS GIVEN IN TABLE 14.

Table 14:

CATAGORY	HOLDERS		SHARES	
	No	%	No	%
Promoter and promoters group	7	0.92	6907992	74.61
Financial Institutions/Banks	1	0.13	2200	0.02
Bodies Corporate	32	4.20	882661	9.53
Individuals	691	90.68	1423538	15.38
HUF	28	3.67	41008	0.44
NRI-Repat	1	0.13	300	0.00
Clearing Members & others	2	0.26	601	0.01
Total	**762**	**100**	**9258300**	**100**

O) DEMATERIALIZATION OF SHARES AND LIQUIDITY:

99.73% Shares are held in demat as on 31st March 2017 and the balance 0.27% are in physical form. Which belongs to general public.

Outstanding GDRs / ADRs / Warrants or any Convertible instruments : Nil

Stock option scheme : Nil

P) NON-MANDATORY REQUIREMENTS

a. Chairperson of the Board: Whether the Chairperson of the Board is entitled to maintain a Chairperson's Office at the Company's expense and also allowed reimbursement of expenses incurred in the performance of his duties: No

b. The Company's audited and un-audited results are widely published in English and Tamil Newspapers.

c. Postal Ballot:

There were no resolutions passed through Postal Ballot.

Q) ADDRESSES FOR CORRESPONDENCE ARE PROVIDED IN TABLE 15.

Table 15:

Registered Office:	**Registrar and Transfer Agent:**
1) Indus Finance Ltd "Kothari Building", 4th Floor, 114, Mahatma Gandhi Road, Nungambakkam, Chennai - 600 034. Tel: 044-28330867 / 28331310 Fax: 044-28330208 E-mail : contact@indusfinance.in	2) Cameo Corporate Services Ltd Subramanian Building, V Floor, No.1, Club House Road, Chennai - 600 002. Phone : 044-28460390 & 28460718 Fax : 044 28460129 E-mail: murali@cameoindia.com

FOR AND ON BEHALF OF THE BOARD OF
INDUS FINANCE LTD.,

Place: Chennai - 600 034
Date: 29th April 2017

Bala V Kutti
Chairman

DECLARATION

This is to declare that the respective Code of Conduct envisaged by the Company for Members of the Board and Senior Management Personnel have been complied with by all the members of the Board and senior management Personnel of the Company.

FOR AND ON BEHALF OF THE BOARD OF
INDUS FINANCE LTD.,

Place: Chennai - 600 034
Date: 29th April 2017

Bala V Kutti
Chairman

CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by M/s. Indus Finance Ltd, for the year ended 31st March 2017, as stipulated in Schedule V of SEBI (Listing Obligations and Disclosures) Regulations 2015 of the said Company with Stock Exchanges. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Schedule V of SEBI (Listing Obligation and Disclosures) Regulations 2015. As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investor's Grievance committee. We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For V. RAMARATNAM & CO
Chartered Accountants
Firm Registration No. 002956S

R. SUNDAR
Partner
Membership No. 12339

Place: Chennai.
Date: 29th April 2017

DECLARATION

To

The Members of Indus Finance Ltd,

This is to declare that the respective Code of Conduct envisaged by the Company for Members of the Board and Senior Management Personnel have been complied with by all the members of the Board and senior management Personnel of the Company.

FOR AND ON BEHALF OF THE BOARD OF
INDUS FINANCE LTD.,

Bala V Kutti
Chairman

Place: Chennai - 600 034
Date: 29th April 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDUS FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of INDUS FINANCE LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the 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 of these 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial 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 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 thereunder.

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 and 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. 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the paragraph"Emphasis on Matter",theaforesaid 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 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matter

- Note No. 2.6 of the financial statements regarding income recognition, where interest is not realized, which in the opinion of the management, is fully secured and recoverable. In the absence of regular repayments of principal and/ or interest, reconciliation and confirmation from the parties, amounting to Rs.1,25,34,558/- (Previous Year Rs.47,07,893/-), we are not in a position to ascertain and comment on the correctness of the outstanding balances and resultant impact of the same on the financial statements of the Company.
- Note no.9 of the financial statements regarding non-provision of diminution in the value of investments in joint ventures/subsidiary as these diminutions are considered temporary in nature.
- Note No. 10 of the financial statements regarding staff loans, amounting to Rs.71,97,094/- (Previous Year Rs.24,00,990/-) In our opinion, the loans are not in accordance with remuneration policy of the company or in accordance with the conditions of service applicable to the employee.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.
2. Further to the comments in the annexure , as required by Section 143 (3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
   (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
   (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For V. Ramaratnam & Co
Chartered Accountants
Firm Registration No. 002956S

R. Sundar
Partner
Membership No. : 012339

Place: Chennai.
Date: 29th April 2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has no immovable property. Thus, paragraph 3(i)(c) of the Order is not applicable to the Company.

(ii) The Company does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.

(iii) The Company has granted loans, both secured and unsecured to companies, firms, limited liability partnerships and other parties covered in the register maintained under Section 189 of the Companies Act, 2013.

a) "According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the company to a party covered in the register maintained under section 189 of the Companies Act, 2013, are not prejudicial to the company's interest.

b) According to the information and explanation given to us, the schedule of repayment of principal and payment of interest have been stipulated and regular.

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

(iv) In our opinion and according to the information and explanation given to us the provisions of section 185 and I86 of the Companies Act, 2013 are not applicable. Thus, paragraph 3(iv) of the Order is not applicable to the Company.

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

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

(vii) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

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

S.No	Name of the Statute	Amount (Rs.) in lakhs	Period	Forum where dispute is pending
1	Income tax act, 1961	227.08	AY 2012-13	First appellate authority Commissioner of Income tax appeals
2	Income tax act, 1961	37.57	AY 1998-99	Third appellate authority - High court of Madras
3	Income tax act, 1961	80.22	AY 1999-00	Third appellate authority - High court of Madras

(viii) According to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks or financial institution. The company does not have any loans or borrowings from the government and has not issued any debentures.

(ix) The company did not raise money by way of initial public offer or further public offer including debt instruments and term Loans. Thus, paragraph 3(ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Thus, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable.

(xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.

(xvi) The Company has registered as required under section 45-IA of the Reserve Bank of India Act 1934.

For V. Ramaratnam & Co
Chartered Accountants
Firm Registration No. 002956S

R. Sundar
Partner
Membership No. : 012339

Place: Chennai
Date : 29th April 2017

"Annexure B" to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Indus Finance Limited ("the Company") as of 31st March, 2017 in conjunction with our audit of the 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 controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by Institute of Chartered Accountants of India.

Emphasis of Matter

We would draw attention to the matters disclosed in the paragraph 3 (iii) off the 'Annexure A' referred in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' which could indicate possible lapses in internal financial control system at various points in time.

Our opinion under clause (i) of sub-section 3 of the section 143 of the Act is not qualified in respect of this matter.

For V. Ramaratnam & Co
Chartered Accountants
Firm Registration No. 002956S

R. Sundar
Partner
Membership No. : 012339

Place: Chennai
Date : 29th April 2017

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

BALANCE SHEET AS AT 31st MARCH, 2017

PARTICULARS		NOTE No.	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
A	**AEQUITY AND LIABILITIES**			
1	**Shareholders' funds**			
	(a) Share capital	3	92,583,000	92,583,000
	(b) Reserves and surplus	4	73,359,362	73,688,948
			165,942,362	**166,271,948**
2	**Non-current liabilities**			
	(a) Long-term borrowings	5	137,070,135	159,615,780
	(b) Other long-term liabilities		-	-
	(c) Long-term provisions		-	-
			137,070,135	159,615,780
3	**Current liabilities**			
	(a) Short-term borrowings		-	-
	(b) Trade payables		-	-
	(c) Other current liabilities	6	1,223,651	3,100,619
	(d) Short-term provisions		-	4,457,229
			1,223,651	7,557,848
	TOTAL		**304,236,147**	**333,445,576**
B	**ASSETS**			
1	**Non-current assets**			
	(a) Fixed assets			
	(i) Tangible assets	8	1,317,300	1,470,327
	(ii) Intangible assets		-	-
			1,317,300	1,470,327
	(b) Non-current investments	9	119,766,788	119,766,788
	(c) Deferred tax assets (net)	18.6	1,667,249	1,640,448
	(d) Long-term loans and advances	10	180,508,753	203,046,236
	(e) Other non-current assets		-	-
			303,260,090	**325,923,799**
2	**Current assets**			
	(a) Current investments		-	-
	(b) Inventories		-	-
	(c) Trade receivables	11	14,297	6,475,111
	(d) Cash and cash equivalents	12	961,760	1,046,666
	(e) Short-term loans and advances		-	-
	(f) Other current assets		-	-
			976,057	**7,521,777**
	TOTAL		**304,236,147**	**333,445,576**

In terms of our report attached.
For V. Ramaratnam & Co.
Chartered Accountants
FRN: 002956S

R. Sundar
Partner
Membership No. 012339
Place : Chennai.
Date : 29th April 2017

K.K. Dinakar
Company Secretary

V. Kannappan
CFO

For and on behalf of the Board of Directors

Bala V Kutti
Chairman
DIN - 00765036

Niranjan R Jagtap
Director
DIN - 01237606

K.R. Shyamsundar
Director
DIN - 03560150

Alice Chhikara
Director
DIN - 00088920

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

	PARTICULARS	NOTE No.	for the year ended 31.3.2017 Rs.	for the year ended 31.3.2016 Rs.
A	**CONTINUING OPERATIONS**			
1	**Revenue from operations**	13	**23,409,541**	**32,634,377**
2	**Other income**	14	**10,596,772**	**12,813,629**
3	**Total revenue (1+2)**		**34,006,313**	**45,448,006**
4	**Expenses**			
	(a) Employee benefits expenses	15	7,275,133	6,584,866
	(b) Finance costs	16	6,400,726	20,665,357
	(c) Depreciation and amortisation expense	8	181,017	154,145
	(d) Other expenses	17	18,986,922	8,756,963
	Total expenses		**32,843,798**	**36,161,331**
5	**Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)**		**1,162,515**	**9,286,675**
6	**Exceptional items**		**-**	**-**
7	**Profit / (Loss) before extraordinary items and tax (5 + 6)**		**1,162,515**	**9,286,675**
8	**Extraordinary items**		**-**	**-**
9	**Profit / (Loss) before tax (7 + 8)**		**1,162,515**	**9,286,675**
10	**Tax expense:**			
	(a) Current Tax		481,013	2,684,120
	(b) Deferred tax	18.6	(26,801)	(15,532)
			454,212	**2,668,588**
11	**Profit / (Loss) from continuing operations (9 +10)**		**708,303**	**6,618,087**
12	**Profit / (Loss) for the year (10 + 11)**		**708,303**	**6,618,087**
	Note:			
	Proposed dividend		-	3,703,320
	Dividend distribution tax		-	753,909
	Total		**-**	**4,457,229**
	Earnings per share (of Rs.10/- each):			
	(a) Basic		0.08	0.23
	(b) Diluted		0.08	0.23

In terms of our report attached.

For V. Ramaratnam & Co.
Chartered Accountants
FRN: 002956S

R. Sundar
Partner
Membership No. 012339

Place : Chennai.
Date : 29th April 2017

K.K. Dinakar
Company Secretary

V. Kannappan
CFO

For and on behalf of the Board of Directors

Bala V Kutti
Chairman
DIN - 00765036

Niranjan R Jagtap
Director
DIN - 01237606

K.R. Shyamsundar
Director
DIN - 03560150

Alice Chhikara
Director
DIN - 00088920

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017

PARTICULARS	For the year ended 31.3.2017		For the year ended 31.3.2016	
	Rs.	Rs.	Rs.	Rs.
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		1,162,515		9,286,675
Adjustments for:				
Depreciation and amortisation	181,017		154,145	
Finance costs	6,400,726		20,665,357	
Profit on sale of asset	-		(1,640,000)	
	-	6,581,743		19,179,502
Operating profit / (loss) before working capital changes		7,744,258		28,466,177
Changes in working capital:	-			
Adjustments for (increase) / decrease in operating assets:				
Trade receivables	6,460,814		(5,697,043)	
Short-term loans and advances	-	-		
Long-term loans and advances	22537483		152,191,106	
Other current assets	-		-	
Other non-current assets	-		-	
Adjustments for increase / (decrease) in operating liabilities:				
Other current liabilities	(1,876,968)		2,463,539	
Other long-term liabilities	-		-	
Short-term provisions	(4,457,229)		-	
Long-term provisions	-	22,664,100	-	148,957,602
		30,408,357		177,423,779
Cash flow from extraordinary items		-		-
Cash generated from operations		30,408,357		177,423,779
Net income tax (paid) / refunds		(481,013)		(160,090)
Net cash flow from / (used in) operating activities (A)		29,927,344		177,263,689
B. Cash flow from investing activities				180,508,753
Capital expenditure on fixed assets, including capital advances	(27,990)		(152,796)	
Purchase of investments	-		(5,303)	
Proceeds from sale of fixed assets	-	(27,990)	2,000,000	1,841,901
Cash flow from extraordinary items		-		-
Net income tax (paid) / refunds		(1,037,889)		-
Net cash flow from / (used in) investing activities (B)		**(1,065,879)**		**1,841,901**
C. Cash flow from financing activities				
Proceeds from issue of equity shares	-	-		
Increase / (Decrease) in long-term borrowings	(22,545,645)		(154,116,551)	
Increase / (Decrease) in short-term borrowings	-		-	
Increase / (Decrease) in Reserves	-		-	
Decrease / (Increase) in Mis Expenditure	-		-	
Finance cost	(6,400,726)		(20,665,357)	
Dividend paid	-		(3,703,320)	
Tax on dividend	-		(899,295)	
		(28,946,371)		(179,384,523)
Net cash flow from / (used in) financing activities (C)		**(28,946,371)**		**(179,384,523)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(84,906)		(278,933)
Cash and cash equivalents at the beginning of the year		1,046,666		1,325,599
Cash and cash equivalents at the end of the year		**961,760**		**1,046,666**
(a) Cash on hand		415,292		680,855
(b) Balances with banks in Current Accounts		546,468		365,811
		961,760		**1,046,666**

Note: The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.

In terms of our report attached.

For V. Ramaratnam & Co.
Chartered Accountants
FRN: 002956S

R. Sundar
Partner
Membership No. 012339

Place : Chennai.
Date : 29th April 2017

K.K. Dinakar
Company Secretary

V. Kannappan
CFO

For and on behalf of the Board of Directors

Bala V Kutti
Chairman
DIN - 00765036

Niranjan R Jagtap
Director
DIN - 01237606

K.R. Shyamsundar
Director
DIN - 03560150

Alice Chhikara
Director
DIN - 00088920

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

Note	Particulars
1	**Corporate Information**
	The company was incorporated as a private limited company on 11th March 1992 and was converted into public limited company U/s 44 of the Companies Act, 1956 on 29th March, 1994 with an object of carrying business as "Non - Banking Finance Company" having registered office at Kothari building, 4th Floor, No.114, Mahatama Gandhi Salai, Nungambakkam, Chennai - 600 034.
	The Company has been registered with Reserve Bank of India as "Non - Banking Finance Company" on 5th May 1998 vide Registration No. B-07-00068.
	Formerly, the company was known as "Indus Finance Corporation Limited" and the name has been changed to "Indus Finance Limited" on 22nd January, 2015.
2	**Significant accounting policies**
2.1	**Basis of accounting and preparation of financial statements**
	The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) including Accounting Standards specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
2.2	**Use of estimates**
	The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.
2.3	**Cash and cash equivalents (for purposes of Cash Flow Statement)**
	Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk.
2.4	**Cash flow statement**
	Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. 'The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.
2.5	**Depreciation and amortisation**
	Depreciation/amortisation on fixed assets, including revaluation cost and the capitalisation of capital expenditure, are charged over the period of the remaining useful life of the asset, arrived at after considering the asset life as prescribed under Schedule-II to the Companies Act, 2013, adopting straight line method of depreciation/amortisation.
2.6	**Revenue recognition - Income from Financing Activity**
	(i) Interest income is recognised in the Profit and Loss Account as it accrues except in the case of non-performing assets where it is recognised upon realization as per the prudential norms of the Reserve Bank of India. Accrual of income is also suspended on certain other loans where in the opinion of the management, significant uncertainties exist as at the year end.
	All other fees are recognised upfront on their becoming due.
2.7	**Revenue recognition - Income from Non-Financing Activity**
	(i) Power income is recognised on accrual basis as they are earned or incurred.
	(ii) Dividend income is accounted for when the right to receive it is established.

Note	Particulars
2.8	**Tangible fixed assets** Fixed assets are stated at historical cost less accumulated depreciation.
2.9	**Investments** Long-term investments, are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value.
2.10	**Employee benefits** The Company has not formulated any policy for employee benefits, including Provident Fund, ESI or Gratuity.
2.11	**Borrowing costs** Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure.
2.12	**Segment Reporting** The company is operating in two business segment viz., Non-Banking Finance and Power Generation. Details of Segment-wise Assets and Profit & Loss Statement can be reffered in Note No.18.7
2.13	**Earnings Per Share** Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.
2.14	**Taxes on income** Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences.
2.15	**Impairment of assets** The carrying values of assets are reviewed for impairment at each balance sheet date to ascertain impairment based on internal / external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. The recoverale amuont is higher of the net sellilng price of the assets and their value in use.
2.16	**Provisions** Provisions are recognised when the Company has present legal or constructive obligations, as a result of past events, for which it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317
Notes forming part of the financial statements

Note 3 Share Capital

PARTICULARS	As at 31.3.2017		As at 31.3.2016	
	Number of Shares	Rs.	Number of Shares	Rs.
(a) Authorised				
Equity shares of Rs. 10/- each with voting rights	18,000,000	180,000,000	18,000,000	180,000,000
		180,000,000		**180,000,000**
(b) Issued				
Equity shares of Rs.10/- each with voting rights	9,258,300	92,583,000	9,258,300	92,583,000
		92,583,000		**92,583,000**
(c) Subscribed and fully paid up				
Equity shares of Rs.10/- each with voting rights	9,258,300	92,583,000	9,258,300	92,583,000
		92,583,000		**92,583,000**
Total		**92,583,000**		**92,583,000**

Notes:
(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

PARTICULARS	Opening Balance	Fresh issue	Bonus	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2017				
Number of shares	9,258,300	-	-	9,258,300
Amount (Rs.)	92,583,000	-	-	92,583,000
Year ended 31 March, 2016				
Number of shares	9,258,300	-	-	9,258,300
Amount (`Rs.)	92,583,000	-	-	92,583,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

CLASS OF SHARES / NAME OF SHAREHOLDER	As at 31.3.2017		As at 31.3.2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Bala Venckat Kutti	2,238,511	24.18	2,238,511	24.18
Ind Eco Ventures Limited	2,700,495	29.17	2,700,495	29.17
Loyal Credit and Investments Limited	1,133,800	12.25	1,133,800	12.25
K B Prathadevi	783,600	8.46	783,600	8.46
Commendam Investments Private Limited	721,806	7.80	721,806	7.80

(iii) Aggregate number and class of shares allotted as fully paid up bonus shares for the period of 5 years immediately preceding the Balance Sheet date:

PARTICULARS	Aggregate number of shares				
	As at 31.3.2016	As at 31.3.2015	As at 31.3.2014	As at 31.3.2013	As at 31.3.2012
Fully paid up by way of bonus shares	-	-	-	-	4,629,150
Equity shares with voting rights	-	-	-	-	-

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

PARTICULARS	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
Note 4 Reserves and surplus		
(a) Capital Reserve		
Opening balance	1,854,250	1 ,854,250
Add: Additions during the year (give details)	-	-
Less: Utilised / transferred during the year	-	-
Closing balance	**1,854,250**	**1,854,250**
(b) Statutory Reserve		
Opening balance	12,900,677	11,577,060
Add: Addition during the year	141,661	1,323,617
Closing balance	**13,042,338**	**12,900,677**
(c) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	58,934,021	56,776,020
Add: Profit / (Loss) for the year	708,303	6,618,087
Less: Tranferred to / Adjustments		
Statutory Reserve	141,661	1,323,617
Dimunition in value of investments	-	
Dividends proposed to be distributed to equity shareholders (Re. 0.40 per share)	-	3,703,320
Tax on dividend	-	753,909
Prior period items	1,037,889	(1,320,760)
Closing balance	**58,462,774**	**58,934,021**
Total	**73,359,362**	**73,688,948**
Note 5 Long-term borrowings		
(a) Term loans		
From other parties		
Secured (refer Note (i) below)	42,070,135	36,483,249
(b) Loans from related parties		
Secured (refer Note (i) below)	95,000,000	123,132,531
Total	**137,070,135**	**159,615,780**

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

Notes: (i) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings:

PARTICULARS	Terms of repayment and security	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
Term loans from other parties:			
Secured			
(i) LIC of India	To be repaid on maturity of policy. Secured against Keyman Insurance Policy	42,070,135	36,483,249
Loans and advances from related parties:			
Secured			
(i) Indowind Energy Ltd	Secured against 1.5 MW wind project		
	Repayment :	95,000,000	123,132,531
	Total	**95,000,000**	**123,132,531**
Note 6 Other Current Liabilities			
(a) Other payables			
(i) Statutory remittances		849,841	233,224
(ii) Current maturities of Long-term debt		-	799,702
(iii) Other Payables		373,810	2,067,693
Total		**1,223,651**	**3,100,619**
Note 7 Short Term Provisions			
(a) Dividend and Dividend Tax payable		-	4,457,229
Total		**-**	**4,457,229**

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

Note 8 Fixed assets

PARTICULARS	Gross block				Accumulated depreciation and impairment				Net block	
	Balance As at 1 April, 2016	Additions	Disposals	Balance As at 31 March, 2017	Balance As at 1 April, 2016	Depreciation /amortisation expense for the year	Eliminated on sale	Balance As at 31 March, 2017	Balance As at 31 March, 2016	Balance As at 31 March, 2017
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
TANGIBLE ASSETS										
(a) Plant and Equipment Owned	90,000,000	-	-	90,000,000	89,280,000	-		89,280,000	720,000	720,000
(b) Vehicles	1,714,583			1,714,583	1,186,853	110,501	-	1,297,354	527,730	417,229
(c) Office equipment	188,348	27,990		216,338	57,135	36,225	-	93,360	131,213	122,978
(d) Computers & accessories	108,288			108,288	16,904	34,291		51,195	91,384	57,093
Total - Tangible Assets	**92,011,219**	**27,990**	**-**	**92,039,209**	**90,540,892**	**181,017**	**-**	**90,721,909**	**1,470,327**	**1,317,300**

Particulars	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
Depreciation and amortisation for the year on tangible assets	181,017	154,145
Depreciation and amortisation relating to continuing operations	181,017	**154,145**

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

Note 9 Non-current investments

PARTICULARS	No of Shares	As at 31 March, 2017			As at 31 March, 2016		
		Quoted	Unquoted	Total	Quoted	Unquoted	Total
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Investments (At cost):							
(a)Investment in equity instruments							
(i) of associates	-						
Indowind Energy Limited	**6,421,765**	57,460,875	-	**57,460,875**	57,460,875	-	**57,460,875**
Bekae Properties Pvt Limited	**150,000**	-	15,000,000	**15,000,000**	-	15,000,000	**15,000,000**
Indonet Global Limited	**2,228,880**	-	11,144,400	**11,144,400**	-	1,144,400	**11,144,400**
Ind Eco Ventures Limited	**32,493**	-	324,930	**324,930**	-	324,930	**324,930** |
Indus Nutri Power Private Limited	**250,000**	-	1,250,000	**1,250,000**	-	1,250,000	**1,250,000**
(ii) of other entities							
Andhra Bank	**9,100**	91,000	-	**91,000**	91,000	-	**91,000**
ICICI Bank Ltd.,	**1,280**	25,211	-	**25,211**	25,211	-	**25,211**
IDBI Ltd.,	**4,960**	403,000	-	**403,000**	403,000	-	**403,000**
ITC Ltd.,	**1,050**	99,264	-	**99,264**	99,264	-	**99,264** \
NEPC India Ltd.,	**1,200**	36,000	-	**36,000**	36,000	-	**36,000**
Reliance Industries Ltd.,	**200**	82,000	-	**82,000**	82,000	-	**82,000**
Picture House Media Ltd	**500**	5,000	-	**5,000**	5,000	-	**5,000** |
Country Club India Ltd (Amruta Inns Ltd.,)	**9,500**	19,855	-	**19,855**	19,855	-	**19,855**
Hindustan Industrial Chemicals Ltd.,	**2,700**	22,950	-	**22,950**	22,950	-	**22,950**
Avikem Resins Ltd	**650**	3,250	-	**3,250**	3,250	-	**3,250**
Skyline NEPC (previously Damania Airways)	**10,000**	50,000	-	**50,000**	50,000	-	**50,000**
Ravlon Pen Co. Ltd	**5,000**	43,750	-	**43,750**	43,750	-	**43,750**
Money Shoppe Network Limited	**240,000**	-	1,200,000	**1,200,000**	-	1,200,000	**1,200,000**
Axis Bank Ltd	**10**	5,303		**5,303**	5,303	-	**5,303**
		58,347,458	**28,919,330**	**87,266,788**	**58,347,458**	**28,919,330**	**87,266,788**
(b) Investment in mutual funds			20,000	**20,000**		20,000	**20,000**
(c) Other non-current investments (Key Man Insurance Policy)			32,480,000	**32,480,000**		32,480,000	**32,480,000**
Total of Non-Current Investments		**58,347,458**	**61,419,330**	**119,766,788**	**58,347,458**	**61,419,330**	**119,766,788**

Notes:		
Book Value of Quoted Investments	**58,347,458**	**58,347,458**
Market value of Quoted Investment	**28,472,452**	**29,603,212**
Diminution in value of investments (temporary)	**29,875,006**	**28,744,246**

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

PARTICULARS	As at 31.3.2017 Rs.	As at 31.3.2016 Rs.
Note 10 Long-term loans and advances		
(a) Loans and advances to related parties		
Secured, considered good	-	-
Unsecured, considered good	30,096,009	28,761,480
	30,096,009	**28,761,480**
(b) Loans and advances to employees		
Unsecured, considered good	7,197,094	2,400,990
(c) Balances with government authorities	**28,562,955**	**26,161,304**
(d) Other loans and advances		
Secured, considered good	80,668,798	142,707,075
Unsecured, considered good	3,686,378	2,065,378
Doubtful	30,297,520	950,009
	114,652,696	**145,722,462**
Total (a + b + c + d)	**180,508,753**	**203,046,236**
Note: Long-term loans and advances include amounts due from:		
Companies where Directors are interested		
Indus Capital Private Ltd	-	26,103,200
Ind Eco Ventures Limited	29,796,009	2,358,280
Total	**29,796,009**	**28,461,480**
Note 11 Trade receivables		
Accrued interest / finance income		
Loans	14,297	6,475,111
Total	**14,297**	**6,475,111**
Note 12 Cash and cash equivalents		
(a) Cash on hand	415,292	680,855
(b) Balances with banks		
in current accounts	546,468	365,811
Total	**961,760**	**1,046,666**

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Notes forming part of the financial statements

PARTICULARS	for the year ended 31.3.2017 Rs.	for the year ended 31.3.2016 Rs.
Note 13 Revenue from operations		
(a) Income From Operations	23,357,591	32,600,365
(b) Income from Investments	51,950	34,012
Total	**23,409,541**	**32,634,377**
Notes: Income From Operations		
(i) Interest Income	23,357,591	32,600,365
Total -	**23,357,591**	**32,600,365**
Note 14 Other income		
(a) Other Income - Income from Sale of Electricity	10,596,772	11,173,629
(b) Profit on sale of asset	-	1,640,000
Total	**10,596,772**	**12,813,629**
Note 15 Employee benefits expenses		
Salaries and wages	6,951,330	6,390,576
Staff welfare expenses	323,803	194,290
Total	**7,275,133**	**6,584,866**
Note 16 Finance costs		
(a) Interest expense on:		
- Borrowings	6,400,726	20,665,357
Total	**6,400,726**	**20,665,357**
Note 17 Other expenses		
Repairs & Maintenance	288,468	-
Rent	153,000	-
Postage & Telegram	6,926	-
Repairs and maintenance - Machinery	-	639,131
Repairs and maintenance - Vehicles	45,883	46,610
Insurance	-	73,804
Fees, Rates and taxes	753,991	639,944
Communication	120,012	127,039
Travelling and conveyance	1,967,773	1,435,932
Printing and stationery	80,430	119,179
Business promotion	797,650	1,173,881
Advertisement & Publicity expenses	84,760	322,342
AGM / EGM Expenses	114,110	97,866
Legal & Professional Charges	2,333,000	1,572,480
Payments to auditors (Refer Note (i) below)	285,150	260,000
Bank Charges	222,942	238,842
Sitting Fee	126,500	195,000
Bad depts to be Included	11,025,241	-
Miscellaneous expenses	581,086	1,814,913
Total	**18,986,922**	**8,756,963**
Notes (i) - Payments to the auditors comprises:		
As auditors - statutory audit	130,450	50,000
For taxation matters	25,000	25,000
others	129,700	185,000
Total	**285,150**	**260,000**

INDUS FINANCE LIMITED
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Note 18 Additional information to the financial statements and Disclosures under Accounting Standards

18.1 Contingent liabilities and commitments (to the extent not provided for)		**As at 31.3.2017 Rs. In lacs**	**As at 31.3.2016 Rs. In lacs**
Contingent liabilities (a) Claims against the Company not acknowledged as debt			
Total Demand as per Order raised by Income Tax Department	493.00		
Less : Income Tax Refund Due or Tax paid during Regular / Scrutiny Assessment	227.02	265.98	265.98

The Company is disputing various demands raised by the Income Tax Department at various forums. The Company has got Opinion from Legal Counsel which is in favour of the Company and hence the liability has not been recognised in the Books of Account.
Income Tax department has attached the company's Investment in Equity Shares of one of its associates against the above stated litigated demands.

18.2 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

There are no amounts due to small scale industries in terms of '" The Micro, Small and Medium Enterprises Development Act, 2006

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

18.3 Foreign Exchange Expenses / Earnings	**for the year ended 31.3.2017 Rs.**	**for the year ended 31.3.2016 Rs.**
Expenditure in foreign currency	-	-
Earnings in foreign exchange	-	-

18.4 Related party transactions
Details of related parties:

Description of relationship	**Related parties**
Associates / Companies where Key Managerial Personnel have a significant influence.	Indowind Energy Limited Indowind Power Private Limited Everon Power Limited Indus Capital Private Limited Ind Eco Ventures Limited Indus Nutri Power Pvt Ltd Indonet Global Ltd Soura Capital Pvt Ltd Loyal Credit & Investments Ltd Bekae Properties Pvt Ltd Perpetual Power Pvt Ltd Kishore Electro Infra Pvt Ltd BVK Agri Producer Company Ltd
Key Management Personnel (KMP)	Bala V Kutti - Director Alice Chhikara - Director V Kannappan - Chief Financial Officer K K Dinakar - Company Secretary

Note: Related parties have been identified by the Management.

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Note 18 Additional information to the financial statements and Disclosures under Accounting Standards (contd.)

Details of related party transactions during the year ended 31 March, 2017 and balances outstanding as at 31 March, 2017: (Rs.)

Details	KMP	Companies where key Managerial Personnel has significant influence	Directors & their relatives
Power share payments	-	10,596,772	-
Interest Income	-	-	-
Interest expenses	-	1,613,542	-
Sale of WEGs	-	-	-
Mangerial Remuneration	-	-	2,400,000
Sitting fees	-	-	126,500
Investments	-	85,180,205	-

Companies where Key Managerial Personnel has a significant influence.	Transactions during the year		Balances outstanding at the end of the year
	Granted/taken during the year	Repaid during the year	
Long-term borrowings	-	28,132,531	95,000,000
Current liability	100,000	1,500,000	-
Loans and advances	49,000,000	48,411,480	29,050,000
Director & their relatives			
Loans and advances	**300,000**	-	**300,000**

PARTICULARS	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
18.5 EARNINGS PER SHARE		
Basic		
Total operations		
Net profit / (loss) for the year attributable to the equity shareholders	708,303	2,160,858
Weighted average number of equity shares	9,258,300	9,258,300
Par value per share	10.00	10.00
Earnings per share - Basic	**0.08**	**0.23**
Diluted		
Total operations		
Net profit / (loss) for the year attributable to the equity shareholders	708,303	2,160,858
Profit / (loss) attributable to equity shareholders (on dilution)	708,303	2,160,858
Weighted average number of equity shares for Basic EPS	9,258,300	9,258,300
Weighted average number of equity shares - for diluted EPS	9,258,300	9,258,300
Par value per share	10.00	10.00
Earnings per share - Diluted	**0.08**	**0.23**
18.6 Deferred tax (liability) / asset		
Opening balance - Deferred tax asset	1,640,448	1,624,916
Additions for the year:		
Tax effect of items constituting deferred tax liability	-	-
-- On difference between book depreciaiton and tax depreciation	-	-
Tax effect of items constituting deferred tax assets	-	-
-- On difference between book balance and tax balance of fixed assets	26,801	15,532
Closing balance - Deferred tax asset	**1,667,249**	**1,640,448**

INDUS FINANCE LIMITED
CIN - L65191TN1992PLC022317

Note 18 Additional information to the financial statements and Disclosures under Accounting Standards (contd.)

Note	Particulars

18.7 Segment information

The Company has identified business segments as its primary segment and geographic segments as its secondary segment. Business segments are primarily Non-banking Finance, Power Generation and Others which include Investment. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

(Rs.)

Particular	Business segments				Total	
	Finance		Power			
	2016-17	2015-16	**2016-17**	2015-16	**2016-17**	2015-16
Revenue	23,409,541	32,634,377	10,596,772	12,813,629	34,006,313	45,448,006
Expenses	16,008,859	28,822,703	222,942	951,777	16,231,801	29,774,480
Segment result	**7,400,682**	3,811,674	**10,373,830**	11,861,852	**17,774,512**	**15,673,526**
Unallocable expenses (net)					16,611,998	6,386,851
Exceptional expenses					-	-
Extra-Ordinary Items					-	-
Profit before taxes					**1,162,515**	**9,286,675**
Tax expense					**454,212**	2,668,588
Net profit for the year					**708,303**	**6,618,087**
Segment assets	**230,733,108**	254,486,374	**720,000**	720,000	**231,453,108**	255,206,374
Segment liabilities	**65,105,720**	70,640,215	**96,533,413**	96,533,413	**161,639,133**	167,173,628

18.8 Previous Year's Figures

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

In terms of our report attached.
For V. Ramaratnam & Co.
Chartered Accountants
FRN: 002956S

R. Sundar
Partner
Membership No. 012339

Place : Chennai.
Date : 29th April 2017

K.K. Dinakar
Company Secretary

V. Kannappan
CFO

For and on behalf of the Board of Directors

Bala V Kutti
Chairman
DIN - 00765036

Niranjan R Jagtap
Director
DIN - 01237606

K.R. Shyamsundar
Director
DIN - 03560150

Alice Chhikara
Director
DIN - 00088920

INDUS FINANCE LIMITED
CIN: L65191TN1992PLC022317
No.114, Kothari Building, IV Floor, M.G. Road,
Nungambakkam, Chennai 600 034.
Tel: 044-28330867 Fax: 044-28330208 Email: contact@indusfinance.com
Website: www.indusfinance.in

ATTENDANCE SLIP

Please fill Attendance Slip and hand it over at the entrance of the Meeting Hall.

NAME AND ADDRESS OF THE SHARE HOLDER

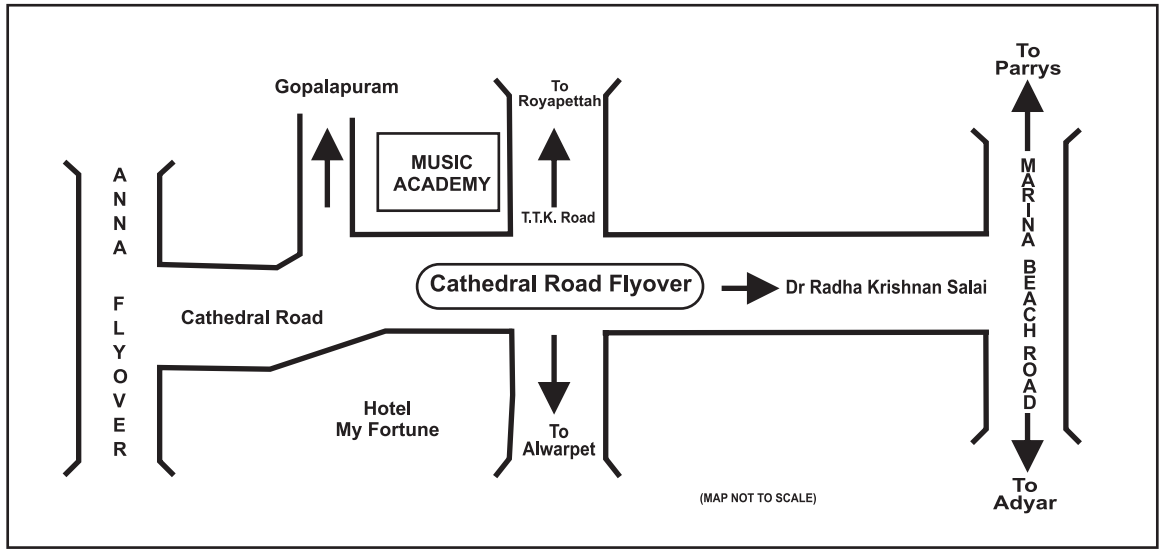
Folio No.	

DP.ID	
CLIENT ID	

I hereby record my presence at the 26th Annual General Meeting being held on Thursday, 31ST August 2017 at 3.00 pm at The Music Academy, New No. 168, T.T.K. Road, Royapettah, Chennai - 600 014.

SIGNATURE OF THE MEMBERS OR THE PROXY	NO OF SHARES HELD

ROUTE MAP TO AGM VENUE



PROXY FORM

[Pursuant to Section105 (6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

INDUS FINANCE LIMITED

CIN: L65191TN1992PLC022317
No.114, Kothari Building, IV Floor, M.G. Road,
Nungambakkam, Chennai 600 034.
Tel: 044-28330867 Fax: 044-28330208 Email: contact@indusfinance.com
Website: www.indusfinance.in

Name of the member(s):

Registered address

E-mail Id:

Folio No. / Client ID: DP ID:

I / We, being the member(s) of INDUS FINANCE LIMITED, holding..... Equity shares of the Company, hereby appoint

1. Name: .....
   Address: .....
   .....
   .....
   Email Id: .....
   Signature: .....

or failing him

2. Name: .....
   Address: .....
   .....
   .....
   Email Id: .....
   Signature: .....

or failing him

3. Name: .....
   Address: .....
   .....
   .....
   Email 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 26th Annual General Meeting of the Company, to be held on Thursday , 31ST August 2017 at 3.00 pm at The Music Academy, New No. 168, T.T.K. Road, Royapettah, Chennai - 600 014. India and at any adjournment there of in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
ORDINARY BUSINESS		For	Against	Abstain
1	To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March 2017 and the Report of the Board of Directors and the Auditors thereon.			
2	To appoint a Director in the place of Ms. Alice Chhikara (holding DIN- 00088920) who retires at this meeting in terms of section 152(6) of the Companies Act 2013 and being eligible, offers herself for Re-appointment.			
3	Appointment of Auditor			

Signed this /----------/day of /----------/ 2017.

Signature of shareholder: ----------

Signature of the proxy holder(s): ----------

Note:

1. 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.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Re 1/-
Revenue
Stamp

If Undelivered Please Return to:-

REGISTERED OFFICE:
INDUS FINANCE LTD.,
"KOTHARI BUILDING", 4th Floor,
No. 114, Mahatma Gandhi Salai,
Nungambakkam,
Chennai - 600 034.