



Indus Finance Ltd

CIN : L65191TN1992PLC022317

E-mail : contact@indusfinance.com

Date: 25.06.2024

BSE LIMITED

The General Manager,
The Corporate Relation Department,
Phiroze Jeejoybhoy Tower,
44+ Floor, Dalal Street,
Mumbai – 400 001

Scrip Code: 531841

Dear Sir/Madam,

Sub: SUBMISSION OF NOTICE OF THE 33RD ANNUAL GENERAL MEETING (AGM) AND ANNUAL REPORT OF THE COMPANY FOR THE FINANCIAL YEAR 2023-24.

Pursuant to Regulations 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Annual Report of the Company for the financial year 2023-24 along with Notice of 33rd Annual General Meeting (AGM), scheduled to be held on Friday, 19th July, 2024 at 4:00 P.M through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

The Annual Report and Notice of 33rd AGM are being sent through electronic mode to those members whose email addresses are registered with the Company/Depository Participants/ RTA and are also available on the website of the Company <https://indusfinance.in/services/annual-reports/>.

Particulars	Details
Date and Time of AGM	19 th July 2024 & 4:00 P.M.IST
Cut-off Date for E-voting	12 th July 2024
Book closure dates for AGM and Dividend	13 th July 2024 - 19 th July 2024 (both days inclusive)
E-Voting Start date and time	16 th July 2024 9:00 AM
E-Voting end date and time	18 th July 2024 at 5:00 PM

We request you to kindly take on record the above disclosure.

Thanking you
For Indus Finance Limited

K K Dinakar
Company Secretary and Compliance Officer
Membership No.: F6882





33rd ANNUAL REPORT

2023-24



BOARD OF DIRECTORS

1. Dr. Bala V Kutti – Chairman
2. Dr. K.R. Shyamsundar - Independent Director
3. Mr. N.Bhaskara Chakkera – CEO cum Director
4. Ms.K.B.K.Vasuki - Independent Director
5. Mr. Vineet Niranjana Jagtap- Independent Director

COMPANY SECRETARY- Mr. K.K.Dinakar

CHIEF FINANCIAL OFFICER-- Mr. V.Kannappan

STATUTORY AUDITORS

M/s BN Mishra & Co
Chartered Accountants
Sukruthi,
No.45/22, 4th Floor, 3rd Main Road,
R.A.Puram, Chennai- 600028
Email: vnatarajanca@gmail.com

INTERNAL AUDITORS

M/s Kailash Jain & Associates
Chartered Accountants
No.60/1, Tana Street,
Purasaiwakkam,
Chennai - 600 007.
Email: ca.kailash@hotmail.com

SECRETARIAL AUDITORS

M/s KRA Associates
Practicing Company Secretaries
No.6A, 10th Street, New Colony,
Adambakkam, Chennai- 600 088.
Email: gkrkgram@yahoo.in

BANKERS

Axis Bank Limited, Mylapore branch,
Chennai-600004

REGISTERED OFFICE

“Kothari Buildings” 4th Floor, 114, M.G.Road,
Nungambakkam,
Chennai- 600 034.
Tel: 044-28330867/28331310
Fax: 044- 28330208.
Email: contact@indusfinance.in
Website: www.indusfinance.in



33rd ANNUAL REPORT FOR THE YEAR 2023-24

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Notice of the 33rd Annual General Meeting

NOTICE IS HEREBY GIVEN THAT 33rd ANNUAL GENERAL MEETING OF INDUS FINANCE LIMITED HAVING CIN: L65191TN1992PLC022317 WILL BE HELD THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO-VISUAL MEANS (OAVM) ON FRIDAY 19th JULY 2024 AT 4.00 PM TO TRANSACT THE FOLLOWING BUSINESSES;

ORDINARY BUSINESS:

Item No. 1 – Adoption of financial statements

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon.

Item No. 2 – Declaration of dividend

To declare a final dividend of ₹0.30/- per equity share for the financial year ended March 31, 2024

Item No. 3 – Appointment of Dr. Bala V Kutti as Director, liable to retire by rotation

To appoint a director in place of Dr. Bala V Kutti (DIN: 00765036), who retires by rotation and being eligible, seeks reappointment

SPECIAL BUSINESS

Item No. 4 – Material Related Party Transaction with INDOWIND ENERGY LIMITED

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH INDOWIND ENERGY LIMITED

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, LODR and other applicable provisions, if any, of the Listing Regulations, Section 188 of the Companies Act, 2013 (“the Act”) and Rules made thereunder, including statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time, and the Company’s policy on related party transactions, the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **INDOWIND ENERGY LIMITED** for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding aggregate value of **Rs. 50,00,00,000/- (Rupees Fifty Crores only)**, whether in single or multiple tranches, on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.”

“**RESOLVED FURTHER THAT** the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 5 – Material Related Party Transaction with SOURA CAPITAL PRIVATE LIMITED

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1)(a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH SOURA CAPITAL PRIVATE LIMITED

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Section 188 of the Companies Act, 2013 (the Act) and Rules made thereunder, including statutory modification(s) or re-enactment thereof for the time being in force and as may be notified from time to time, and the Company’s policy on related party transactions, the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **SOURA CAPITAL PRIVATE LIMITED** for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding aggregate value of



Rs. 10,00,00,000/- (Rupees Ten Crores only), whether in single or multiple tranches, on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.”

“**RESOLVED FURTHER THAT** the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 6 – Material Related Party Transaction with SOURA INVESTMENTS HOLDINGS PRIVATE LIMITED

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH SOURA INVESTMENTS HOLDINGS PRIVATE LIMITED

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Sec188 of the Companies Act, 2013 („the Act“) and Rules made thereunder, including statutory modification(s) or re- enactment thereof for the time being in force and as may be notified from time to time, and the Company’s policy on related party transactions, the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **Soura Investments Holdings Private Limited** for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding aggregate value of **Rs. 10,00,00,000/- (Rupees Ten Crores only)**, whether in single or multiple tranches, on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.”

“**RESOLVED FURTHER THAT** the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 7 – Material Related Party Transaction with INDUS CAPITAL PRIVATE LTD

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH INDUS CAPITAL PRIVATE LIMITED

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Sec188 of the Companies Act, 2013 („the Act“) and Rules made thereunder, including statutory modification(s) or re- enactment thereof for the time being in force and as may be notified from time to time, and the Company’s policy on related party transactions, the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **INDUS CAPITAL PRIVATE LIMITED** for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding aggregate value of **Rs. 15,00,00,000/- (Rupees Fifteen Crores only)**, whether in single or multiple tranches, on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.”

“**RESOLVED FURTHER THAT** the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary



applications and submissions under the Act to give effect to this Resolution.”

Item No. 8 – Material Related Party Transaction with LOYAL CREDIT AND INVESTMENTS LTD

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH LOYAL CREDIT AND INVESTMENTS LIMITED

“**RESOLVED THAT** pursuant to the provisions of Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Sec188 of the Companies Act, 2013 (‘the Act’) and Rules made thereunder, including statutory modification(s) or re- enactment thereof for the time being in force and as may be notified from time to time, and the Company’s policy on related party transactions, the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **LOYAL CREDIT AND INVESTMENTS LIMITED** for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding aggregate value of **Rs. 30,00,00,000/- (Rupees Thirty Crores only)**, whether in single or multiple tranches, on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.”

“**RESOLVED FURTHER THAT** the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 9 – Material Related Party Transaction with INDOWIND POWER PRIVATE LIMITED

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH INDOWIND POWER PRIVATE LIMITED

“**RESOLVED THAT** pursuant Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 (Listing Regulations) and other applicable provisions, if any of the Listing Regulations, Sec188 of the Companies Act, 2013 („the Act”) and Rules made thereunder, including statutory modification(s) or re- enactment thereof for the time being in force and as may be notified from time to time, and the Company’s policy on related party transactions, the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **Indowind Power Private Limited** for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding aggregate value of **Rs. 5,00,00,000/- (Rupees Five Crores only)**, whether in single or multiple tranches, on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.

“**RESOLVED FURTHER THAT** the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 10 – Material Related Party Transaction with EVERON POWER LTD

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH EVERON POWER LTD



“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification or re-enactment thereof) and Company’s Policy on Related Party/ies Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **EVERON POWER LTD** with forms part of this Notice, as related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount not exceeding **Rs.15,00,00,000 (Rupees Fifteen Crores only)** on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.

“RESOLVED FURTHER THAT the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 11 – Material Related Party Transaction with BEKAE PROPERTIES PRIVATE LTD

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION, THE FOLLOWING RESOLUTION AS ORDINARY IN CONNECTION WITH TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH BEKAE PROPERTIES PRIVATE LTD

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification or re-enactment thereof) and Company’s Policy on Related Party/ies Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **BEKAE PROPERTIES PRIVATE LTD** with forms part of this Notice, as related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount on such terms and conditions as the Board of Directors may deem fit not exceeding a maximum aggregate value of **Rs.1,00,00,000 (Rupees One Crore only)** on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.

“RESOLVED FURTHER THAT the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 12 – Material Related Party Transaction with QUANTUM LTD

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH QUANTUM LTD

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification or re-enactment thereof) and Company’s Policy on Related Party/ies Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **QUANTUM LTD** with forms part of this Notice, as related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and



Regulation 2 (zb) of SEBI (LODR) for an amount on such terms and conditions as the Board of Directors may deem fit not exceeding a maximum aggregate value of **Rs.10,00,00,000 (Rupees Ten Crores only)** on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.

“RESOLVED FURTHER THAT the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

Item No. 13 – Material Related Party Transaction with KISHORE ELECTRO INFRA PVT Limited

TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION WITH RESPECT TO TRANSACTIONS MENTIONED IN SECTION 188(1) (a) to (d) OF COMPANIES ACT 2013 & AND REGULATION 2 (zb) OF SEBI (LODR) WITH KISHORE ELECTRO INFRA PVT LIMITED

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meeting of the Board and its Powers) Rules, 2014 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) (including any statutory modification or re-enactment thereof) and Company’s Policy on Related Party/ies Transaction(s), the approval of the Members be and is hereby accorded to the Board of Directors of Company (‘Board’, which term shall be deemed to include any Committee constituted/empowered/to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) for Related Party Transactions (whether an individual transaction or transactions taken together or series of transactions or otherwise) with **KISHORE ELECTRO INFRA PVT LIMITED** with forms part of this Notice, as related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for transactions mentioned in Section 188(1) (a) to (d) of Companies Act 2013 & and Regulation 2 (zb) of SEBI (LODR) for an amount on such terms and conditions as the Board of Directors may deem fit not exceeding a maximum aggregate value of **Rs.10,00,00,000 (Rupees Ten Crores only)** on such terms and conditions which includes the option of the parties to convert the loan in to shares in full or part at such price as may be mutually agreed notwithstanding the fact that the transaction(s) may exceed 10% (ten per cent) of the annual consolidated turnover of the Company as per the Audited Financial Statements of preceding financial year or any materiality threshold limit as may be applicable from time to time.

“RESOLVED FURTHER THAT the Board of the Directors / Chief Financial Officer /Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limited to, negotiating and finalizing the terms of borrowing, filing of necessary applications and submissions under the Act to give effect to this Resolution.”

**BY ORDER OF THE BOARD
For INDUS FINANCE LTD**

**Place: Chennai
Date: 27/05/2024**

**K.K. Dinakar
Company Secretary & Compliance Officer
FCS No. 6882**



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO: 4 to 13

The Company is primarily engaged in the business of lending and sees significant potential for expanding its lending portfolio. To facilitate this expansion, the Company needs to enhance its financial resources. One viable method for raising these funds is by borrowing from related parties. Additionally, the Company has the capacity to lend to its related parties as part of its regular business activities.

Given that these entities qualify as related parties under Section 2(76) of the Companies Act, 2013, in conjunction with Regulation 2(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Company is required to obtain prior approval from its shareholders.

In the Board Meeting held on May 27, 2024, following the Audit Committee's recommendation, the Board resolved to conduct transactions with related parties amounting to Rs. 156 Crores. Since the proposed borrowing exceeds the limits permissible under SEBI Listing Regulations, this transaction is considered a material related party transaction, necessitating shareholder approval, despite being conducted in the ordinary course of business and on an arm's length basis.

The Board recommends passing the resolution as an Ordinary Resolution to authorize the Company to enter into the approved contracts, transactions, and arrangements on an arm's length basis.

The Directors, Key Managerial Personnel or their relatives holding shares in the company are deemed to be considered or otherwise interested in the said Ordinary Resolution only to the extent of their Share Holdings, if any.

S.no.	PARTICULARS	DISCLOSURES	
1.	Name of the related party and Nature of Relationship	Promoter Group	1. Soura Investments Holdings Private Limited 2. Loyal Credit And Investments Limited 3. Indus Capital Private Limited
		Director Dr. Bala V Kutti holding 2% or more shareholding	1) Everon Power P Ltd 2) Bekae Properties P Ltd 3) Quantum Ltd 4) Kishore Electro Infra Pvt 5) Soura Capital P Ltd 6) Indowind Energy Ltd 7) Kishore Electro Infra Pvt Limited
2.	Name of the director or key managerial personnel who is related, if any	Bala Venckat Kutti	
3.	Nature, material terms, monetary value and particulars of the contract or arrangements	Total Rs.156 crores from related parties as mentioned in the resolutions.	
4.	Tenure of the proposed transaction	1 year	
5.	Percentage of annual consolidated turnover of considering FY 2023-24 as the immediately preceding financial year	More than 10% of consolidated turnover.	
6.	Justification for the transaction	For financial requirements of project expansion	
7.	Details of transaction relating to any loans, inter-	The source of funds includes internal accruals and borrowings. The cost of funds and tenure are variable in nature. The covenants, tenor and interest rate are of varying in nature and are sufficiently secured. The loans are set to be utilized for Business	



	corporate deposits, advances or investments made or given by the listed entity or its subsidiary:	Purposes.
8.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered e-mail address of the shareholder	Not Applicable.
9.	Any other information that may be relevant	-

The Audit Committee and the Board of Directors of the Company at their respective meetings have approved the transactions as set out in Item No.4 to 13 and proposed the same for approval of the Members.

The Board is of the opinion that the aforesaid related party transactions are in the best interest of the Company. The Board recommends the Resolutions as set out in Item No. 4 to 13 in the Notice for approval of the Members as Ordinary Resolutions

DISCLOSURE UNDER REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 READ WITH SECRETARIAL STANDARD ON GENERAL MEETINGS

Item No.3

S.no	PARTICULARS	DETAILS
1.	Name & Age, Date of first Appointment	Dr. Bala V Kutti, 59 years old 31/01/2007
2.	Qualifications	Mr. Bala K V is Alumnus of Stanford Business School, USA with Postgraduate in Management from BIM and Gold Medalist in B.Tech from Anna University, Chennai.
3.	Brief Resume of The Director & nature of expertise in specific functional areas	Dr. Bala V Kutti has over 33 years of business experience in the areas of project management, investment banking, corporate lending and merchant banking. Further, he has promoted a number of companies and ventures apart from Indus Finance Ltd.
4.	Terms and conditions of re-appointment	Liable to retire by rotation
5.	Past remuneration and Remuneration proposed	Rs 36 Lakhs per Annum.
6.	No. of Board Meetings attended during the year	6
7.	Relationship with other Director/ Key Managerial Personnel of the Company	NIL
8.	Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL
9.	Resignation details in the listed entities during the last three years	INDOWIND ENERGY LIMITED



IMPORTANT NOTES:

Statutory information:

1. The Register of Members and the Share Transfer books of the Company will remain closed from 13th July 2024 to 19th July 2024 (both days inclusive) in connection with the Annual General Meeting (AGM).
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), setting out details relating to Special Business of the meeting is annexed hereto which may also be regarded as the disclosure under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations).

Meeting through Video Conferencing (VC)/Other Audio-Visual Means (OAVM):

3. Pursuant to the General Circular No. 20/2020 dated 5th May 2020 read with General Circulars No. 14/2020 dated 8th April 2020 and 17/2020 dated 13th April 2020, the Meeting will be held through Video Conferencing/ Other Audio-Visual Means.
4. In terms of the above Circulars, there is no provision for appointment of proxies for the meeting. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of bodies corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
5. For participating in the Meeting through the VC/OAVM please see the heading "The instructions of Shareholders for e-voting and joining virtual meetings".
6. Members desirous of speaking at the meeting may register through the web portal of the Registrar & Transfer Agent (RTA) Cameo Corporate Services Limited through the web-link: <https://investors.cameoindia.com>.

Despatch of Annual Report and Notice of the meeting:

7. Electronic copy of the Annual Report for the year 2023-24 and the Notice of the 33rd AGM are being sent to all the members whose E-mail IDs are registered with the Company/Depository Participant(s) for communication purposes. Members may note that pursuant to the aforesaid Circulars and SEBI Circular dated 12.05.2020 there is no provision for providing printed copies of the Annual Reports.
8. Annual Report and the Notice of the AGM are available in the Company's website: www.indusfinance.in. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting during the AGM) i.e. www.evotingindia.com.

Facility for Remote E-voting and Voting during the meeting:

9. Pursuant to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 108 of the Companies Act 2013, and the relevant Rules, the Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) to facilitate the Members to exercise their right to vote at the Annual General Meeting through remote e-voting. The detailed process for participating in the said e-voting is furnished in heading "The instructions of Shareholders for e-voting and joining virtual meetings".
10. A person who has participated in the remote e-voting is not debarred from participating in the meeting though he/she shall not be able to vote at the meeting again and his/her earlier vote cast electronically shall be treated as final. However, as per Rule 20 of the Companies (Management & Administration) Rules, 2014, facility for voting shall also be made available at the meeting and Members who have not cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting which would also be through electronic means.
11. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and the holdings should be verified.
12. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the RTA through the web-link: <https://investors.cameoindia.com>
13. SEBI vide Circular dated 20-04-2018 mandated the Company to collect copy of PAN and Bank account details from Members



holding shares in physical form. Accordingly in July 2018 individual letters were sent to those shareholders whose PAN and Bank account details were not available with the Company followed by two reminders. In spite of this, many shareholders have not come forward to provide the information. Such shareholders are requested to provide the information at the earliest to the Company/ RTA. As per the Circular the shareholders who have not furnished the information have been placed under “enhanced watch” and so their requests will be processed subject to enhanced due diligence.

14. Pursuant to proviso to Regulation 40 (1) of the Listing Regulations, effective from 1st April 2019 transfer of securities other than transmission or transposition of names are not to be processed by the Company in physical form. So, shareholders desirous of transferring their shares are requested to dematerialize their shares.
15. The documents and information to be made available for inspection by the Members during the AGM will be provided electronically through the e-voting facility of CDSL.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1	: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
Step 2	: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins at 9:00 AM on 16-07-2024 and ends on 18-07-2024 at 5:00 PM During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, 12-07-2024 of may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5 p.m. on 18-07-2024.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:



Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.



Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL



platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the Company on which you choose to vote.
- (x) 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.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians – For Remote Voting only**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login will be mapped automatically & can be delinking in case of any wrong mapping.
 - It is Mandatory that, 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.
 - Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; contact@indusfinance.in , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptop / iPad for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at contact@indusfinance.in. These queries will be replied to by the company suitably by email.



8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY / DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. 1800 22 55 33.



BOARD'S REPORT & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

To
The Members

Your Directors are pleased to present this 33rd Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2024.

FINANCIAL HIGHLIGHTS AND PERFORMANCE

PARTICULARS	[Rs. In Lakh]	
	2023-24	2022-23
Income from Operations	339.00	212.75
Other Income	60.00	49.92
Gross receipts	399.00	262.67
Expenses	258.71	214.98
Depreciation & Amortization	51.44	3.08
Total Expenses	310.15	218.06
PBT	88.85	44.60
TAX	13.86	5.31
PAT	74.99	39.29
Transfer to Statutory Reserves	15.10	7.86

FINANCIAL PERFORMANCE:

The financial year 2023-24 saw steady performance. The income from operations improved by 59% over the previous year, mainly due to the turnaround and better performance of the loan portfolio. Gross receipts were higher by 52% and the PAT during the year under review doubled to Rs 88.85 lakh compared to Rs.39.29 lakh during the previous year. Depreciation & Amortizations were higher by Rs 48.36 lakh, so also the finance cost of funds which have significant contribution for the increased expenses. While analysing the progress made your company has kept close watch on the market developments and some of the information collated are as follows.

DIVIDEND:

A final dividend of Rs.0.30 (Thirty Paise Only) per equity share on the paid up equity share capital of the Company, as recommended by the Board of Directors

MARKET SCENARIO:

(a)Regulatory Environment- Industry structure and developments:

Year 2023-24 saw Regulator (Department of Supervision, RBI) introducing stricter, comprehensive regulatory returns and focusing on examining licensing requirements for NBFCs and initiating supervisory actions against non-compliant entities. The RBI has implemented a new four-layer regulatory structure for NBFCs based on their size, activity, and perceived riskiness and issued Master Directions on Scale Based Regulations. The SBR classifies NBFCs in to 4 categories viz. (a) **NBFC-Base Layer:** (b) **NBFC-Middle Layer:** (c) **NBFC-Upper Layer:** and (d) **NBFC-Top Layer (Ideally Empty).** The new structure aims at better regulatory norms and stringent compliances and is expected to bring more stability and order to the NBFC sector. Concerned about potential spillover effects of certain turbulent environment in the past on the financial services industry, the Reserve Bank of India (RBI) has taken proactive measures by tightening regulations and intensifying scrutiny of NBFCs. These measures aim to address governance issues, strengthen risk management practices, and enhance overall supervision. Your Company falls under the Base Layer and is categorised as NBFC-Investment and Credit Company (NBFC-ICC) and has complied with all regulatory directions/guidelines like reporting customer data to all the four Credit Information Companies (CICs) as per Credit Information Companies (Regulations) Act,2005 (CICRA), submission, downloading or updating the KYC data of the customers to/from the CKYC Registry, registering/ notifying the details of borrowers with the Information Utility(IU) registered with the IBBI under section 210 of IBC,2016, registering/notifying the asset mortgage details with CERSAI in respect of the mortgaged assets of the borrowers. Your company is also registered with the Financial Intelligence Unit of India (FIU) for reporting of any suspicious transaction or fraud.



(b) Domestic Economy in 2024:

Despite much global turbulence like Russia-Ukraine war, Israel-Gaza attack which resulted in steep hike in crude price and movement of essentials commodities, the Indian economy during the financial year 2023-24 continued to exhibit strong performance with broad-based growth across sectors, driven by pickup in rural demand and sustained momentum in the manufacturing sector. Post pandemic, credit to Industry has been moderating and continues to do so. However, marginal decrease during the year compared to 2023 indicate slow pick up of private investment during the year despite growth in manufacturing. Overall non-food credit flow has been steady during the year and hovering around 15%. There was robust growth in credit to service sector, with share of NBFC credit to service sector remaining around 35%. There was high level of growth in personal loan indicating better consumer confidence in growth & stability. The robust demand for residential accelerated the growth of the construction sector by double digits. The manufacturing and service sectors also experienced considerable progress.

(c). NBFC sector in 2024:

With Over 9000 registered NBFCs in the country, the NBFC sector continued with healthy growth this year with retail segment making the bulk. Since 2023 many NBFCs have engaged in co-lending partnerships with major banks, thus playing a pivotal role in the economy, complementing traditional banks by providing funds to various sectors. The NBFC sector in India has witnessed remarkable transformations since its emergence, with segments such as housing finance, microfinance and consumer finance contributing to its expansion. This growth is driven by various factors, such as a rising middle class, enhanced financial inclusion and positive policy interventions. Digitisation has been a game-changer for the Nonbanking Financial Company (NBFC) sector, enabling faster and more efficient processes, as well as a superior customer experience. India's digital consumer base is the second largest in the world and growing at the second-fastest rate amongst major economies. India's inclusive digital model is narrowing the digital divide within the country and bringing benefits of technology to all segments of people. Share of NBFCs in overall credit in India as at March 2024 stood approximately at Rs34.00 lakh crore (18%) as against Rs 4.00 lakh crore (12%) March 2008.

Future Outlook:

Experts believe that NBFCs with strong fundamentals, affective risk management and good corporate governance are well positioned for success. Strict adherence to Regulatory norms, ethical lending practices, adapting technology with responsibility and customer satisfaction will be crucial for success. With co-lending picking up and adequate funds at their disposal, NBFC sector is expected to see sustained growth as credit demand recovers and interest rates stabilise. Strategic partnership with traditional banks can unlock new growth opportunities for NBFCs. Both Banks and NBFCs can have leverage in terms of Bank's extensive infrastructure and NBFCs specialised services in certain functional areas. Retaining customers and acquiring new clients will be critical for sustained growth of NBFCs. The sector may witness consolidation and merger of small players. Sharing data through common platforms like CKYCR and CICs will provide opportunities to NBFCs to specialize in niche areas and offer innovative financial products. The use of scorecards provided by the CICs and the data available with IUs, CERSAI/CKYC would enable the NBFCs to improve their credit assessment capabilities. With the help of digital collection and data analysis NBFCs are expected to improve their collection efficiency. Green and sustainable financing is also emerging as a sunrise sector, with NBFCs playing a key role in financing projects that promote environmental sustainability. The manufacturing sector is also expected to maintain its momentum on the back of sustained profitability and pick-up in rural demand. The Regulator appear to be very vigilant and ensures strict compliance of regulatory directions which is very much essential for stability and integrity of NBFC sector. However, the regulatory norms of recognition of asset quality becoming 90 days (earlier 180 days) even for Base layer NBFCs is likely cause raise in non-performing assets of some of the aggressive players.

The future of NBFCs in India appears to be positive, with the sector striving for continued growth. As the economy grows more individuals and business, seek credit and NBFCs appear to be in very good position to meet the demand.

Opportunities & Threat:

Credit to the rural people is one of the biggest opportunities NBFCs can bank upon. Most of the Rural area in the country still having limited presence of banks and the credit demand in the rural area picking up, with people in the Rural sector not having borrowing history in the past, NBFCs have first mover advantage in terms of credit assessment as well as faster delivery of credit. Yet another area which boosts for NBFC credit is the Micro, Small and Medium enterprises [MSME] sector wherein NBFCs provide funds based on their invoices due for payment with less paperwork. One of the key advantages of NBFCs is their ability to be flexible in their lending practices. Unlike banks, which have a rigid set of guidelines for lending, NBFCs can tailor their lending practices to meet the specific needs of their clients. This has made them an attractive option for those who are looking for more personalised financial services.

NBFC sector faces significant challenges, especially from the banking industry. Banks targeting the same customer base as NBFCs will require scale, resulting in intensified competition in the sector. There is increased competition from the existing players and potential new entrants like fintech companies also. Ensuring new regulatory compliance, accurate data reporting and consumer



protection guidelines, mitigating cyber security risks associated with the technology are the fresh challenges. Accessing low-cost funds has always been a dream for this sector. Unlike banks, NBFCs are not allowed to have Savings and Current accounts which account for substantial low-cost funds of banking Industry. Even the term deposits also cost more for this sector as customers prefer Bank FD for easy liquidity in case of emergency. Another challenge faced by the NBFCs is getting refinance for their smooth working. The major source of refinancing all these days was Bank credit, capital market and many a times from the competitors or large NBFCs. In all the cases NBFCs have to work on a thin margin or spread and always bear the brunt of recovery and bad debt.

Raising money from the capital market also has been not easy for the NBFCs in the last couple of years with the failure & its after effect of some of the large NBFCs. With the Financial market growing day by day ,the loan ticket size getting bigger and the regulator also insisting for reasonable Net own funds in the coming years, survival of many NBFCs becomes a question mark. Though the smaller NBFCs are exempted from capital adequate ratio (CRAR), they cannot surpass the leverage ratio beyond 7. Increased regulatory compliance, technology-oriented platforms, training need extra money on educating people including the personnel.

RISKS & CONCERNS:

Credit & Operational Risks are the inherent risks associated with the business module of NBFCs as most of them are exposed to non-traditional sector and clients with poor or no past credit history. Default in repayment obligations by the borrowers and effect of consequential actions, deterioration of quality of assets due to prolonged legal battles have serious repercussion on the performance of NBFCs. Very often many NBFCs end up losing substantial portion of the money lent when the loan assets go bad and the prime or collateral securities are inadequate for the full recovery of the loan. Increased default & poor recovery also results in Liquidity mismatch or Asset Liability mismatch forcing the NBFCs to resort to borrowing at high interest rates so as to meet the obligations. Fluctuating interest rates depending on the demand & supply of credit is also a concern for the NBFCs. Studies indicate that unhealthy competition, poor KYC and credit appraisal system, not so impressive Operational Risk Management system and absence of standard operating systems were the root cause for the failure of some large NBFCs in the sector.

IFL always followed all the statutory and regulatory guidelines issued in dealing with the situation. Your Company has appropriate policies in place to manage the various risk associated with the business of the company. As mentioned in our earlier year's reports, the cautious wait & watch approach adapted by the Company for the last couple of years has enabled to survive the vulnerable market conditions. With the economy & the business having crossed the pre-covid position and the Company having made substantial progress in the concluded financial year, IFL wishes to increase the business substantially in the ensuing financial year.

FUTURE PLANS:

In order to capitalise on the growing demand for financial needs of green power sector, commercial last mile and turn around opportunities available in the market and growing retail market, your company plans to increase the loan portfolio substantially with more focus on entities and projects with regular cash flow to meet the expansion needs. Your company plans to raise equity capital up to Rs 50.00 crore by way of Right's issue or any other mode of capital raising during the year 2024-25. Your company is also planning to raise refinance on existing and new portfolio from FIs /Banks within the eligible norms as prescribed under the Regulatory norms.

TRANSFER TO RESERVES

The Company transferred Rs.15.10 Lacs to the statutory Reserves during the under review.

CASH FLOW STATEMENT

In compliance with the provisions of Section 134 of Companies Act, 2013 and Regulation 34(2) (c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Cash flow statement for the financial year ended March 31, 2024 forms part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATE MENT

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, 2024 and profit/loss for the Company for the year ended 31st March 2024.
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.
5. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively and
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.

NUMBER OF MEETINGS OF BOARD

The Board met 6 times during the Financial Year ended 31st March 2024. These were on 05-04-2023, 29-05-2023, 10-08-2023, 06-11-2023, 01-02-2024, 20-03-2024.

Name of Directors	No. of Meetings attended
Mr. Niranjana R. Jagtap	4
Dr. K.R. Shyamsundar	5
Dr. Bala V Kutti	6
Ms. K B K Vasuki	6
Mr. N.Bhaskara Chakkerla	6
Mr. Vineet Niranjana Jagtap	2

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.

a) Terms of reference

The role and terms of reference of the Audit Committee cover the areas mentioned under Regulation 18 (3) of Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

b) Composition

The Company continued to derive immense benefit from the deliberation of the Audit Committee comprising of Directors, **Dr. K.R. Shyamsundar, Dr. Bala V Kutti and Ms. K B K Vasuki** who are highly experienced and having knowledge in project finance, accounts and company law. **Ms. K B K Vasuki** is the Chairman of the Audit Committee. The Company Secretary acts as the Secretary of the Audit Committee.

c) Meetings and attendance during the year

The Committee met 5 times during the Financial Year ended 31st March 2024. These were on 05-04-2023, 29-5-2023, 10-8-2023, 06-11-2023, 01-02-2024.

The details of the attendance of the Members are as follows:

Name of Directors	No. of Meetings attended
Mr. Niranjana R. Jagtap	3
Dr. K.R. Shyamsundar	4
Dr. Bala V Kutti	1
Ms. K B K Vasuki	4



d) Details of Recommendations of Audit Committee which were not accepted by the Board along with reasons

During the year the Board of Directors has considered all the recommendations made by the Audit Committee and has accepted and carried on the recommendations suggested by the Committee to its satisfaction. Hence there are no recommendations unaccepted by the Board of Directors of the Company during the year under review.

e) Criteria for evaluation of the performance of the independent directors

The criteria for evaluation of the performance of Independent Directors, include their qualification, experience, competency, knowledge, understanding of respective roles (as Independent Director and as a member of the Committee of which they are Members/Chairpersons), adherence to Codes and ethics, conduct, attendance and participation in the meetings, etc.

NOMINATION AND REMUNERATION COMMITTEE

a) Term of reference

The role and terms of reference of the Nomination and Remuneration Committee cover the areas mentioned under Regulation 19 (4) of Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

b) Composition, name of members and Chairperson

The Committee consists of the following members of the Board Ms. K B K Vasuki (Chairman), Dr. K.R. Shyamsundar and Dr. Bala V Kutti.

c) Meetings and attendance during the year

The Committee met on 10.08.2023, 01.02.2024 during the Financial Year 2023-24 and the details of the attendance of the Members are as follows:

Name of Directors	No. of Meetings attended
Mr. Niranjana R. Jagtap (cessation on 20.11.2023)	1
Dr. K.R. Shyamsundar	2
Ms. K B K Vasuki	2
Dr. Bala V Kutti	1

STAKE HOLDERS RELATIONSHIP COMMITTEE

a) Term of reference

The role and terms of reference of the cover the areas mentioned under Section 178 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

b) Composition, name of members and Chairperson

The Committee consists of the following members of the Board Dr. Bala V Kutti, Dr. K.R. Shyamsundar and Ms. K B K Vasuki (Chairman).

c) Meetings and attendance during the year

The Committee met on 01-02-2024 during the Financial Year 2023-24 and all the members were present.

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

None

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The details are available in the website of the Company at www.indusfinance.in

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.

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

S.No	DIRECTOR AND DESIGNATION	DATE
1.	Mr. Niranjana R Jagtap – Independent Director	Cessation -20/11/2023
2.	Mr. N..Bhaskara Chakkerla – Executive Director	Appointment- 01/02/2024
3.	Mr. Vineet Niranjana Jagtap – Independent Director	Appointment- 01/02/2024

REAPPOINTMENT OF DIRECTORS RETIRING BY ROTATION

In terms of Section 152 of the Companies Act, 2013, Dr. Bala V Kutti (DIN 00765036) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

The Board of Directors based on the recommendation of Nomination and Remuneration Committee, has recommended the re-appointment of Dr. Bala V Kutti (DIN 00765036) retiring by rotation.

COMPLIANCE WITH CODE OF CONDUCT

The Company has framed Code of Conduct for the Board of Directors and Senior Management personnel of the Company. The Code of Conduct is available on the Company's website. All the Board of Directors and Senior Management personnel have affirmed compliance with the Code of conduct as on March 31, 2024.

As required under Regulation 26(3) and Schedule V (D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 a declaration from Mr. Nanchar Bhaskara Chakkerla, CEO to this effect has been furnished in the Annual Report as Annexure- 1.

PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS

Detailed information is provided in respect of loans under long term loans and advances in Notes forming part of the financial Statements; similarly detailed information is provided under Non- Current Investments in Notes forming part of the financial statements. As regards guarantee, the Company has not provided any guarantee to any person or Bodies Corporate.

BUSINESS RISK MANAGEMENT

The details are available in the website of the Company at <https://indusfinance.in/wpcontent/uploads/2021/06/RISK.pdf>

BOARD EVALUATION:

Section 134 of the Companies Act, 2013 states that formal evaluation needs to be made by the Board, of its own performance and that of its committees and the individual Directors. Schedule IV of the Companies Act,2013 and regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors excluding the Directors being evaluated.

Pursuant to the Provisions of Section 134 (3) (p) of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the Board has carried out an evaluation of its own performance, the Directors individually as well as the evaluation of the working of its 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 shareholders etc. The Directors expressed their satisfaction with the evaluation process.

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.



DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There have been no significant and material orders passed by the courts or regulators or tribunals impacting the going concern status and Company's operations.

VIGIL MECHANISM

As required under Section 177 of Companies Act, 2013 (the Act) and Regulation 22 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Company has established a vigil mechanism for Directors and employees to report genuine concerns through the whistle blower policy of the Company as published in the website of the Company. As prescribed under the Act and the Listing Regulations, provision has been made for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

FINANCIAL STATEMENTS OF THE SUBSIDIARY COMPANY IF ANY

The Company does not have any Subsidiaries.

INDUSTRIAL RELATIONS AND PARTICULARS OF EMPLOYEES

As of 31st March 2024, Your Company has 7 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.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

The above mentioned disclosure is not applicable to the company.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

There were no material developments in relation to Human Resources / Industrial Relations in your Company as the Company has minimum employee strength.

AUDITORS

As per section 139 (2) of the Companies Act, 2013 M/s. B.N MISHRA, Chennai (ICAI Firm Registration No. 321095E) was appointed as Statutory Auditors of the company to hold the office from the conclusion of 31st Annual General Meeting until the conclusion of the 36th Annual General Meeting. The Independent Auditors Report given by the Auditors on the financial statements of the Company is forming part of the Annual Report.

Details In Respect Of Frauds Reported By Auditors Under Sub-Section (12) Of Section 143 Other Than Those Which Are Reportable To The Central Government

NIL

ANNUAL RETURN

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, the Annual return as per provisions of Section 92 (3) of the Companies Act, 2013 can be viewed on the website of the company www.indusfinance.in and can be accessed at <https://indusfinance.in/wp-content/uploads/2023/12/IFL-ANNUAL-RETURN-22-23.pdf>.

INDEPENDENT DIRECTORS' DECLARATION

The Company has received declarations from all the Independent Directors on the board of the Company for the year under review, confirming that they continue to meet with the criteria of Independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 25 & 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made under thereto.

Company's policy relating to Director's appointment, payment of remuneration and other matters provided under Section 178(3) of the Companies Act, 2013:

The Board, on the recommendation of the Nomination and Remuneration Committee, had framed a policy which inter alia



provides the criteria for selection and appointment of Directors, Key Managerial Personnel, Senior Management, evaluation of their performance and the remuneration payable to them. The criteria for determining qualifications, positive attributes and independence of Directors have been stated in the Nomination and Remuneration Policy. The Nomination and Remuneration policy of the company is available in the website of the Company at <https://indusfinance.in/wp-content/uploads/2021/06/EMPOLICY.pdf>.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

During the Financial Year 2023-24, your Company has complied with applicable Secretarial Standards, namely SS-1 & SS-2 issued by the Institute of Company Secretaries of India.

CONSERVATION OF ENERGY / TECHNOLOGY ABSORPTION/FOREIGN EXCHANGE EARNINGS AND OUTGO

A. Conservation of Energy:

Steps taken or impact on conservation of energy	The operations of the Company are not energy-intensive. However, wherever possible, the Company strives to curtail the consumption of energy on a continuing basis.
Steps taken by the company for utilizing alternate sources of energy	
Capital investment on energy conservation	

B. Technology absorption:

Efforts made towards technology absorption	Not Applicable
Benefits derived like product improvement, cost reduction, product development or import substitution	
Expenditure on Research & Development, if any	
Details of technology imported, if any	
Year of import	
Whether imported technology fully Absorbed	
Areas where absorption of imported technology has not taken place, if any	

C. Foreign Exchange Earning and Outgo:

Total Foreign exchange earned: NIL
Total Foreign exchange outgo; NIL

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Your Company does not fall under the purview of Section 135 and Schedule VII of the Companies Act, 2013 read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is not required to have an Internal Complaints Committees as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Company firmly provides a safe, supportive and friendly workplace environment and workplace where our values come to life through the underlying behaviours. Positive workplace environment and a great employee experience are integral parts of our culture. During the year under review, there were no cases filed pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.



Disclosures pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year – 2023-24	6.04
The percentage increase in remuneration of each director, Chief Financial Officer, Company Secretary in the financial year – 2023-24.	NIL
The percentage increase in the median remuneration of employees in the financial Year – 2023-24	NIL
The number of permanent employees on the rolls of Company as on 31.03.2024	7
Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof.	NIL
Affirmation that the Remuneration is as per the Remuneration Policy	The remuneration is as per the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and Other Employees of the Company, formulated pursuant to the provisions of Section 178 of the Companies Act, 2013

Particulars of Employees and Related Disclosures

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report. Disclosures relating to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. Having regard to the provisions of the second proviso to Section 136(1) of the Act and as advised, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any member interested in obtaining such information may address their email to contact@indusfinance.in.

REPORT AS PER SECTION 134 READ WITH RULE 8 AND SUB RULE 5 OF COMPANIES ACCOUNTS RULES 2014

Change in nature of business, if any: NIL

Name of Companies which have become or ceased to be its subsidiaries, Joint Ventures or associate companies during the year: NA

TRANSACTIONS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in section 188(1) and applicable rules of the Companies Act, 2013 is provided with respect to the list of Related Parties under the Notes on accounts and with respect to transactions with related parties are given in detailed under note No.24 of the notes on accounts in the format **Form AOC-2**, which forms part of this report in **Annexure II**.

COST AUDIT & COST REPORT

Provisions relating to cost audit are not applicable to the Company. Similarly, the Central government has not prescribed the maintenance of Cost Records under Section 148 (1) of the Act.

SECRETARIAL AUDIT REPORT

M/s. KRA & Associates, Practising Company Secretaries are the Secretarial Auditor of the Company for the year under review and the report received from Ms.Aishwarya- Partner, M/s. KRA & Associates is attached with this report in **Form No. MR-3** under **Annexure III**. As regards to the observation of the Secretarial Auditor in her report, your company is taking steps for appropriate solution.

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. Kailash Jain & Associates are the Internal Auditors who continuously monitor and strengthen the financial control procedures in line with the operations of the Company.

PERSONNEL

Employee relations have been very cordial during the financial year ended March 31, 2024. The Board wishes to place on record its appreciation to all the employees in the Company for their sustained efforts and immense contribution to the high level of performance and growth of the business during the year. The Management team of the Company comprises of experienced passionate driven professionals committed to the organizational goals.

ACKNOWLEDGEMENT

The Directors wish to place on record their sincere thanks and gratitude to all its Shareholders, Bankers, State Governments, Central Government and its agencies, statutory bodies 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 LIMITED

Place: Chennai
Date:27-05-2024

Bala V Kutti
Chairman
DIN : 00765036



ANNEXURE I

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT WITH THE COMPANY'S CODE OF CONDUCT

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 LIMITED**

**Nanchar Bhaskara Chakkera
Chief Executive Officer**

**Place: Chennai
Date: 27.05.2024**



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 31st March, 2024 which were not at arm's length basis.

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

Name of the Related Party	Nature of Relationship	Salient terms	Amount in Lakhs (Rs)
Indowind Energy Ltd	Director Dr. Bala V Kutti holding 2% or more shareholding	Loan Provided	775
		Loan Settled	375.32
		Consultancy Charges	25
		Interest Income	98.80
Bekae Properties Pvt Ltd	A Private Company in which there is a Common Director	Rent Paid	12.00
Ind Eco Ventures Limited	Body corporate whose Board of Directors, is accustomed to act in accordance with the advice, directions or instructions of a director or manager;	Loan Settled	153.39
		Interest Income	24.51
Soura Investments Holdings Private Limited	A Private Company in which there is a Common Director	Loan repaid	20
		Loan Taken	20
Kishore Electro Infra Private limited	A Private Company in which there is a Common Director	Loans provided	148
		Loan Settled	45.67
		Interest Income	29.44



Loyal Credit and Investments Limited	A Private Company in which there is a Common Director	Consultancy Charges	25
		Loan Settled	158.14
		Receivable towards sale of Investments	32.29
		Interest Income	16.96
Soura Capital Private limited	A Private Company in which there is a Common Director	Loans taken	20
		Loan Repaid	20
Indus Capital Private Limited	A Private Company in which there is a Common Director	Loans taken	1285
		Loan repaid	380.40
		Interest Paid	47.33

Notes: During the financial year, the Company has not entered into any new contracts / arrangements with related parties which qualify as material in accordance with the policy of the Company on materiality of related party transactions.

The details of the related party transactions as per Indian Accounting Standards (IND AS) – 24 are set out in Note No. 23 to the Financial Statements of the Company.

For and on behalf of the Board of
INDUS FINANCE LIMITED

Place: Chennai
Date: 27-05-2024

Bala V Kutti
Chairman
DIN : 00765036



**ANNEXURE III
Form No. MR-3**

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL PERIOD ENDED 31st March, 2024
[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and
Remuneration of Managerial Personnel) Rules, 2014]**

To,
The Members,
M/S INDUS FINANCE LIMITED
Kothari Buildings, 4th Floor,
114 MG ROAD, Nungambakkam,
Chennai- 600034

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDUS FINANCE LIMITED** (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company'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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed thereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31/03/2024 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (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;

The other laws as may be applicable specifically to the Company:

- a) Reserve Bank of India Act, 1934

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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:

UNDER COMPANIES ACT, 2013:

- a) *The company had not complied with section 125 and other applicable rules w.r.t IEPF.*

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that –



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. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Chennai
Date: 27/05/2024

Aishwarya
PARTNER
ACS No. 51960 / CP No. 20319
UDIN: A051960F000453801
P.R No.5562/2024

Annexure-A

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the Secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the company.
4. Wherever required, we have obtained the Management representation about compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of the corporate laws and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Chennai
Date: 27/05/2024

Aishwarya
PARTNER
ACS No. 51960 / CP No. 20319
UDIN: A051960F000453801
P.R No.5562/2024

INDEPENDENT AUDITORS' REPORT

To the Members of Indus Finance Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Indus Finance Limited** (“the Company”), which comprise the balance sheet as at 31 March 2024, the statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profit, total other comprehensive income/(expense), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How the matter was addressed in our audit
Impairment of financial assets as on 31/03/2024 (Expected Credit Loss) (Refer note 4 of the financial statements) Ind AS 109 relating to “Financial Instruments” requires the company to provide for	Our audit procedures included the following: Read and assessed the company's accounting policies for impairment of financial assets and their compliance with Ind AS 109. 1. Assessed the approach of the Company for

<p>impairment of its financial assets using the expected credit loss (ECL) approach.</p> <p>The Company has recognized impairment loss allowance of Rs.89.70 lakhs as at 31 March 2024. This involves management's judgement in the calculation of impairment allowance which has a significant impact on the financial statements.</p> <p>Management is required to determine the expected credit loss that may occur over either a 12-month period or the remaining life of an asset, depending on the categorisation of the individual asset.</p> <p>The key areas of judgement include:</p> <ol style="list-style-type: none"> 1. Categorisation of loans in Stage 1, 2 and 3 based on identification of: <ol style="list-style-type: none"> (a) exposures with significant increase in credit risk ('SICR') since their origination (b) Individually impaired / default exposures and (c) Valuation of the property provided as security 2. Determination of Loss Given Default ('LGD') and Probability of Default ('PD') to calculate ECL based on standard value as adopted. 3. The impact of different future macroeconomic conditions in the determination of ECL. <p>These judgements required the models to be reassessed including the impact of Covid -19 pandemic to measure the ECL. The extent to which the COVID-19 pandemic will impact the Company's current estimate of impairment loss allowances is dependent on future developments, which are highly uncertain at this point. Given the size of loan portfolio relative to the balance sheet and the impact of impairment allowance on the financial statements, we have considered this as a key audit matter.</p>	<p>categorisation of loans into various stages. Tested a sample of performing (stage 1) assets to assess whether any SICR or loss indicators were present requiring them to be classified under stage 2 or 3.</p> <ol style="list-style-type: none"> 2. Analysed the valuation reports of the property secured against the loans with respect to categorisation of loans. 3. Engaged our team to review management's approach for calculating ECL and assess the key assumptions i.e., probability of default (PD) and loss given default (LGD) used to determine ECL. 4. Performing test of details over calculation of ECL for assessing the correctness of the same. 5. Assessed the progress in settlement with the financial creditors of the associate company, assessed the reason for qualification by the previous auditor and availability of option for liquidity of its investments in the open market. 6. Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient. <p>As a result of the above audit procedure, no material differences were noted.</p>
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<p>Assessment of carrying value of equity Investments in Associates and fair value of other investments as on 31/03/2024 (Refer note 5 of the financial statements)</p> <p>The Company has equity investments in its associates and other companies.</p> <p>The Company accounts for equity investments in associates and other investments at fair value.</p> <p>The Company has investment in its associate company to the tune of Rs.342.80 lakhs at book value. In the light of the order passed for admission of the petition for winding up of the associate company and also filing of the appeal with the Division Bench of the Honourable High Court of Madras for interim stay of all further proceedings with respect to the order passed and the matter being sub-judice, the outcome is unascertainable at this stage.</p> <p>For investments carried at fair values, a fair valuation is done at the year-end as required by Ind AS 109.</p> <p>The accounting for investments is a Key Audit Matter as the determination of recoverable value for impairment assessment/fair valuation involves significant management judgement and estimates such as future expected level of operations and related forecast of cash flows, market conditions, discount rates, terminal growth rate etc.</p>	<p>Our audit procedures included the following:</p> <ol style="list-style-type: none"> 1. Obtained an understanding from the management, assessed and tested the design and operating effectiveness of the Company's key controls over the impairment assessment and fair valuation of material investments. 2. Evaluated the Company's process regarding impairment assessment and fair valuation by involving auditor's valuation experts, as applicable to assist in assessing the appropriateness of the valuation model including the independent assessment of the underlying assumptions relating to discount rate, terminal value etc. 3. Assessed the carrying value/fair value calculations of all individually material investments, where applicable, to determine whether the valuations performed by the Company were within an acceptable range determined by us and the auditor's valuation experts. 4. Assessed the progress in settlement with the financial creditors of the associate company, assessed the reason for qualification by the previous auditor and availability of option for liquidity of its investments in the open market. 5. Checked the mathematical accuracy of the impairment model and agreed the relevant data on sample basis with the latest budgets, actual past results and other supporting documents. 6. Evaluated the adequacy of the disclosures made in the Financial Statements. <p>Based on the above procedures performed, we did not identify any significant exceptions in the management's assessment in relation to the carrying value of equity investments in associates and fair value of other investments.</p>
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Information other than the financial statements and auditor's report thereon

The Company's Management and Board of directors are responsible for the preparation of other information. The other information comprises Board's Report, Report on Corporate governance and Business responsibility report but does not include the financial statements and our auditor's report thereon.

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

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

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

The Company's Management and Board of Directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of financial position, financial performance including other comprehensive income/(expense), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

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

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

Auditor's Responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain

audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, based on our audit, 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 except for the matters stated in the paragraph 2(i)f below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) The modifications relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)f below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" wherein we have expressed an unmodified opinion.
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and according to information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - (i) 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:
 - a. The Company does not have any other pending litigations which would impact its financial position except the issues disclosed appropriately;

- b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- d. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts
 - i. no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities 'Intermediaries', with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - ii. no funds have been received by the company from any person(s) or entity(ies), including foreign entities 'Funding Parties', with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party 'Ultimate Beneficiaries' or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - iii. Based on audit procedures carried out by us, that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- e. The Company has not declared or paid any dividends during the year and accordingly reporting on the compliance with section 123 of the Companies Act, 2013 is not applicable for the year under consideration.
- f. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from 1 April 2023.

Based on our examination which included test checks, except for the instances mentioned below, the company has used accounting software to maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated through the year for all relevant transactions recorded in the respective software:

- i. The feature of recording audit trail (edit log) facility was not enabled at the application layer for the period 1 April 2023 to 2 April 2023.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For B N Misra & Co
Chartered Accountants
Firm Reg No: 321095E

Place: Chennai

Date : 27th May 2024

CA V Natarajan
Partner
Membership No.: 204900
UDIN: 24204900BKGDDX7279

Annexure “A” to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report to the members of M/s. Indus Finance Limited of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) In respect of the Company's property, plant and equipment:
 - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have any intangible assets.
 - (b) The Property, plant & equipment have been physically verified by the management in accordance with a regular programme of verification at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records examined by us, the Company does not hold any immovable properties of land and building as at the balance sheet date.
 - (d) The Company has not revalued its property, plant and equipment (including right of use asset) during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
 - (e) In our opinion and according to the information and explanations given to us, there are no proceedings initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting under clause 3 (i)(e) of the Order is not applicable.
- (ii)
 - (a) The company is in the business of giving loans and as such does not have any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable.
 - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3 (ii) (b) of the Order is not applicable.
- (iii)
 - (a) The Companies principal business is to give loans and accordingly, reporting under clause 3 (iii) (a) of the Order is not applicable.
 - (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of loans and advances in the nature of loans granted by the company to other parties (loans and advances in the nature of loans balance outstanding as at balance sheet date Rs 50.87 lakhs) are prejudicial to the

company's interest on account of the fact that the loans have been granted at nil rate of interest per annum which is not at prevailing yield of government security closest to the tenor of the loan. The investments made are, prima facie, not prejudicial to the interest of the Company. The Company has not provided any guarantee or security, secured and unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

- (c) According to information and explanation given to us, in respect of the loans and advances in the nature of loans, schedule of repayment of principal and payment of interest have not been stipulated with respect to the loans and advances in the nature of loans balance outstanding as at balance sheet date Rs 50.87 lakhs. In the absence of stipulation of repayment terms, we are unable to comment on the regularity of repayment of principal or payment of interest.

In respect of the loans where the schedule of repayment of principal and payment of interest is stipulated but repayment of principal or payment of interest is not regular for 5 cases.

- (d) The total amount overdue for more than ninety days, in respect of loans and advances in the nature of loans, as at year end is Rs 50.87 lakhs before provision for loss allowances. Reasonable steps are being taken by the company for recovery of the principal and interest.
- (e) The Companies principal business is to give loans and accordingly, reporting under clause 3 (iii) (e) of the Order is not applicable.
- (f) In our opinion and according to information and explanation given to us, the company has granted the loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment aggregating to Rs 50.87 lakhs (2.86% to the total gross loans and advances in the nature of loans). The aggregate of loans granted to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013 is Nil.

(iv) In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 of the Act are applicable. In respect of investments made by the Company, the Company had complied with the provisions of section 186 of the Act as applicable.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year. Accordingly, reporting under clause 3 (v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly, reporting under clause 3 (vi) of the Order is not applicable.

(vii) In respect of statutory dues:

- (a) In our opinion, and according to the information and explanations given to us and on the basis of our examination of the records, the company has generally been regular in depositing undisputed statutory dues including Goods and Services Tax, Provident fund, Employees' state Insurance, Income Tax, Sales Tax, Service Tax, duty of customs, duty of excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and on the basis of our examination of the records, there are no dues of income tax, GST, sales tax, service tax, duty of customs, duty of excise or value added tax that have not been deposited on account of any dispute as at March 31, 2024.

(viii) In our opinion and according to the information and explanations given to us, there are no transactions not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, reporting under clause 3 (viii) of the Order is not applicable.

(ix)

(a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) In our opinion and according to the information and explanations given to us, the Company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the company has neither obtained term loans nor the term loans which were taken in the previous financial years have been actually utilised during the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company did not raise any funds during the year and accordingly, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.

(x)

(a) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, reporting under clause 3 (x) (b) of the Order is not applicable.

(xi)

(a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by any person has been noticed or reported during the year. Accordingly, reporting under clause 3 (xi) (a) and (b) of the Order are not applicable.

(b) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints, have been received by the Company during the year.

(xii) The Company is not a Nidhi Company and accordingly, reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv)

(a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system, commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company issued till date, for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, reporting under clause 3 (xv) of the Order is not applicable.

(xvi)

(a) In our opinion and according to the information and explanations given to us, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and it has obtained the registration.

(b) In our opinion and according to the information and explanations given to us, the Company has conducted the non-banking financial activities with a valid Certificate of Registration (CoR) from the RBI as per RBI Act. The Company has not conducted any housing finance activities and is not required to obtain CoR for such activities from the RBI.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and accordingly, reporting under clause 3(xvi)(c) of the Order is not applicable.

(d) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) and it does not have any other companies in the Group. Accordingly, reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

(xx) According to the information and explanations given to us, the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility spending were not applicable to the Company during the period covered by our audit. Accordingly, reporting under clause 3(xx)(a) & (b) of the Order are not applicable.

(xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For B N Misra & Co
Chartered Accountants
Firm Reg No: 321095E

CA V Natarajan
Partner
Membership No.: 204900
UDIN: 24204900BKGDDX7279

Place: Chennai

Date : 27th May 2024

Annexure “B” to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on other legal and regulatory requirements' section of our report to the Members of Indus Finance Limited of even date)

Report on the Internal Financial controls over Financial Reporting 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 at March 31, 2024, 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 Board of Directors of the Company 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. 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the assessment of the risks of material misstatement in 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 control 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 (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 (iii) 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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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.

For B N Misra & Co
Chartered Accountants
Firm Reg No: 321095E

CA V Natarajan
Partner
Membership No.: 204900
UDIN: 24204900BKGDDX7279

Place: Chennai

Date : 27th May 2024

Indus Finance Limited**Balance Sheet as at March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
Financial Assets			
Cash and cash equivalents	3	16.76	4.86
Loans	4	1,686.25	541.97
Investments	5	1,403.22	1,071.75
Other financial assets	6	61.51	63.99
Total financial assets		3,167.74	1,682.57
Non-Financial Assets			
Deferred tax asset (Net)	7	-	-
Property, plant and equipment	8	18.58	11.43
Other non-financial assets	9	706.67	752.56
Total non-financial Assets		725.25	763.99
Total Assets		3,892.99	2,446.56
LIABILITIES AND EQUITY			
Financial Liabilities			
Borrowings (Other than Debt Securities)	10	1,400.96	456.73
Other financial liabilities	11	31.50	13.07
Total Financial Liabilities		1,432.46	469.80
Non-Financial Liabilities			
Deferred tax liability (Net)	7	50.92	73.59
Current tax liabilities (Net)		6.76	2.74
Total Non-Financial Liabilities		57.67	76.33
Total liabilities		1,490.13	546.13
EQUITY			
Equity Share capital	12	925.83	925.83
Other Equity	13	1,477.03	974.61
Total Equity		2,402.86	1,900.44
Total Liabilities and Equity		3,892.99	2,446.56

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

As per our report of even date attached
For M/s B N Misra & Co
Chartered Accountants
(FRN No. 321095E)

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

BHASKARA CHAKKERA
Chief Executive Officer

V Natarajan
Partner
M.No. 204900
UDIN: 24204900BKGDDX7279

DINAKAR K K
Company Secretary

KANNAPPAN V
Chief Financial Officer

Place : Chennai
Date : 27.05.2024

Indus Finance Limited**Statement of profit and loss for the year ended March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	Notes	For the year ended March 31, 2024	For the year ended March 31, 2023
A Income			
REVENUE FROM OPERATIONS			
Interest income	15	199.59	116.43
Dividend income		0.25	0.13
Impairment of financial instruments	17	-	3.37
Insurance bonus		-	20.44
AMC Charges		8.47	-
Processing fee received		0.21	0.50
Profit on Sale of Investments		130.47	58.88
Babst bebtbs recovered		-	13.00
TOTAL REVENUE FROM OPERATION		339.00	212.75
OTHER INCOME			
Interest on Income tax Refund Receivable		-	5.29
Consultancy Income		60.00	44.62
Total income		399.00	262.67
B Expenses			
Finance Costs	16	86.98	39.71
Impairment of financial instruments	17	16.52	-
Employee benefits expenses	18	87.12	92.24
Depreciation, amortization and impairment	19	51.44	3.08
Other expenses	20	68.09	83.03
Total expenses		310.15	218.06
C Profit / (loss) before exceptional items and tax		88.85	44.60
Exceptional items			
D Profit before tax from continuing operations		88.85	44.60
Income tax expense			
Current tax		13.86	5.96
Deferred tax charge/ (credit)		-	(0.65)
E Profit for the year from continuing operations		74.99	39.29
Profit/(loss) from discontinued operations			
Tax Expense of discontinued operations		-	-
Profit/(loss) from discontinued operations(After tax)		-	-
F Profit/(loss) for the period		74.99	39.29
G Other comprehensive income			
Items that will not be reclassified to profit or loss		406.31	(447.99)
Income tax relating to items that will not be reclassified to profit or loss		(105.64)	116.48
Subtotal (A)		300.67	(331.51)
Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
Subtotal (B)		-	-
Other comprehensive income for the year		300.67	(331.51)
Total comprehensive income for the year		375.66	(292.22)
Earnings per share	21		
Basic earnings per share		0.81	0.42
Diluted earnings per share		0.81	0.42

The accompanying notes form an integral part of the financial statements

As per our report of even date attached
For M/s B N Misra & Co
Chartered Accountants
(FRN No. 321095E)

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

BHASKARA CHAKKERA
Chief Executive Officer

V Natarajan
Partner
M.No. 204900
UDIN: 24204900BKGDDX7279

DINAKAR K K
Company Secretary

KANNAPPAN V
Chief Financial Officer

Place : Chennai
Date : 27.05.2024

Indus Finance Limited**Statement of cash flows for the year ended March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Taxation	88.85	44.60
Add / Less : Non cash & Non - operating items		
Depreciation and amortisation expense	51.44	3.08
Interest Paid	86.96	39.63
(Profit) / Loss on Sale of Investments	-130.47	-58.88
Insurance bonus	-	-20.44
Net gain / loss in fair value of derivative financial instruments	16.52	-3.37
	24.45	-39.98
Operating profit before working capital changes		
Change in operating assets and liabilities		
Loans	1,105.60	13.11
Other financial assets	-2.48	23.85
Other financial liabilities	-18.43	(0.53)
Other non-financial assets	2.17	-29.97
	1,111.31	-33.52
Cash used in operations		
Income taxes paid (net of refunds)	-	-
NET CASH USED IN OPERATING ACTIVITIES (A)	1,111.31	-33.52
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	10.53	
(Increase)/ decrease in Financials Assets Investments	-205.32	-304.06
	-194.80	-304.06
NET CASH GENERATED FROM / (USED IN) INVESTING ACTIVITIES [B]		
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment / (Proceeds) from borrowings (other than debt securities)	-904.60	331.85
	-904.60	331.85
NET CASH GENERATED FROM / (USED IN) FINANCING ACTIVITIES [C]		
Net decrease in cash and cash equivalents (A+B+C)	11.91	-5.73
Cash and cash equivalents at the beginning of the financial year	4.86	10.59
Cash and cash equivalents at end of the year	16.76	4.86

Notes:

1. The above cash flow statement has been prepared under indirect method prescribed in Ind AS 7 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks		
- in current accounts	15.76	4.80
Cash on hand	1.00	0.06
	16.76	4.86

For and on behalf of the board

As per our report of even date attached

For M/s B N Misra & Co

Chartered Accountants

(FRN No. 321095E)

BALA VENCKAT KUTTI

Chairman

DIN - 00765036

BHASKARA CHAKKERA

Chief Executive Officer

V Natarajan

Partner

M.No. 204900

UDIN: 24204900BKGDDX7279

DINAKAR K K

Company Secretary

KANNAPPAN V

Chief Financial Officer

Place : Chennai

Date : 27.05.2024

Indus Finance Limited

Notes to Financial Statements for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
3 Cash and Cash Equivalents		
Cash on Hand	1.00	0.06
Balance with banks in current accounts	15.76	4.80
	16.76	4.86
4 Loans		
A] Loans		
- Amortised Cost		
Business loans	672.90	475.18
Loan against security	1,082.37	98.69
Personal loans	20.67	41.28
	1,775.93	615.14
Less: Impairment loss allowance	(89.69)	(73.17)
Total [Net]	1,686.25	541.97
B] Secured by tangible assets	1,082.37	98.69
Unsecured	693.57	516.46
	1,775.93	615.14
Less: Impairment loss allowance	(89.69)	(73.17)
Total [Net]	1,686.25	541.97
C]		
i) Loans in India		
Public Sector	-	-
Others	1,775.93	615.14
	1,775.93	615.14
Less: Impairment loss allowance	(89.69)	(73.17)
Total [Net] - c(i)	1,686.25	541.97
ii) Loans outside India		
Public Sector	-	-
Others	-	-
	-	-
Less: Impairment loss allowance	-	-
Total [Net] - c(ii)	-	-
Total [Net] - c(i+ii)	1,686.25	541.97

Indus Finance Limited

Notes to Financial Statements for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

5 Investments

Investments	As at March 31, 2024					As at March 31, 2023						
	Amortised cost	Through OCI	At Fair Value Through profit & loss	Sub-total	Others (at cost)	Total	Amortised cost	Through OCI	At Fair Value Through profit & loss	Sub-total	Others (at cost)	Total
Units of Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-
Debt Securities -												
(Key Man Insurance Policy)			519.84	519.84		519.84		519.84	519.84			519.84
Equity instruments of other entities -												
a) Associates												
i) Indowind Energy Limited			754.87	754.87		754.87		429.36	429.36		-	429.36
iv) Ind Eco Ventures Limited			-	-		-		-	-		1.62	1.62
vi) Quantum Limited			-	-	93.98	93.98		-	-		93.98	93.98
vi) Soura Investments Private Limited			-	-		-		-	-		1.62	1.62
b) Others												
Union Bank of India			4.54	4.54		4.54		1.97	1.97		-	1.97
ICICI Bank Ltd.,			15.43	15.43		15.43		12.35	12.35		-	12.35
IDBI Ltd.,			4.01	4.01		4.01		2.23	2.23		-	2.23
ITC Ltd.,			4.50	4.50		4.50		4.03	4.03		-	4.03
Reliance Industries Ltd.,			5.95	5.95		5.95		4.66	4.66		-	4.66
Axis Bank Ltd			0.10	0.10		0.10		0.09	0.09		-	0.09
Total - Gross [A]	-		1,309.24	1,309.24	93.98	1,403.22	-	-	974.52	974.52	97.23	1,071.75
i) Investment outside India												
ii) Investment in India	-		1,309.24	1,309.24	93.98	1,403.22	-	-	974.52	974.52	97.23	1,071.75
Total - Gross [A]	-		1,309.24	1,309.24	93.98	1,403.22	-	-	974.52	974.52	97.23	1,071.75
Less: Allowance for impairment loss [C]												
Total - Net D [A-C]	-		1,309.24	1,309.24	93.98	1,403.22	-	-	974.52	974.52	97.23	1,071.75

Indus Finance Limited**Notes to Financial Statements for the year ended March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023		
6 Other Financial Assets				
Security Deposit	28.93	28.87		
Others Advances	0.09	35.12		
Others Receivables	32.49	-		
	61.51	63.99		
7 Deferred Tax Asset / (Liability)				
	Balance as at April 01, 2023	Charges / (Credit) to profit & loss	Charges / (Credit) to OCI	Balance as at March 31, 2024
Tax Effect of items constituting deferred tax				
Application of EIR on financial assets	(90.56)	-	(105.64)	(196.20)
Others	16.97	-	128.31	145.28
	(73.59)	-	22.67	(50.92)
9 Other non-financial assets				
GST Input Credit		3.47	8.05	
Income Tax		119.31	110.72	
Staff Advance		6.70	7.49	
Prepaid Expenses		0.41	0.46	
MAT Credit - AY 2022 - 2023			1.00	
Deferred Depreciation		576.78	624.84	
		706.67	752.56	

Indus Finance Limited

Notes to Financial Statements for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

8 Property, plant and equipment

Particulars	Tangible Assets				
	Plant & Machinery	Vehicles	Office Equipment	Computers & Accessories	Total
Cost or deemed cost (gross carrying amount)					
Balance at April 1, 2022	-	-	17.12	1.60	15.67
Additions					13.04
Deduction / Adjustments		-			10.00
Balance at March 31, 2023	-	-	17.12	1.60	18.71
Balance at April 01, 2023	-	-	17.12	1.60	18.71
Additions			10.53		10.53
Deduction / Adjustments					-
Balance at March 31, 2024	-	-	27.64	1.60	29.24
Accumulated Depreciation					
Balance at April 1, 2022	-	-	2.60	1.60	12.78
Charge for the year		-	3.08		3.08
Deduction / Adjustments		-			-
Balance at March 31, 2023	-	-	5.68	1.60	15.87
Balance at April 01, 2023	-	-	5.68	1.60	15.87
Charge for the year			3.37		3.37
Deduction / Adjustments					-
Balance at March 31, 2024	-	-	9.06	1.60	19.24
Carrying amount (net)					
As at March 31, 2023	-	-	11.43	(0.00)	11.43
As at March 31, 2024	-	-	18.58	(0.00)	18.58

Indus Finance Limited**Notes to Financial Statements for the year ended March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	As at March 31, 2024	As at March 31, 2023
10 Borrowings [Other Than Debt Securities]		
a] Term loans		
i] Secured -		
- At Amortised Cost		
- from LIC of India	496.36	456.73
ii] Unsecured -		-
b] Loans from related parties		
Unsecured -		
- At Amortised Cost		
Associates Companies	904.60	-
Total	1,400.96	456.73
Borrowings in India	1,400.96	456.73
Borrowings outside India	-	-
Total	1,400.96	456.73
Particulars / Terms		
LIC of India		
Secured against the key man policy and repayable on maturity / surrender of Policy	496.36	456.73
Details of term loans [Secured]		
Repayable on maturity :		
Maturing between 1 year to 3 years	-	-
Maturing between 3 year to 5 years	496.36	456.73
	496.36	456.73
11 Other Financial liabilities		
Salary Payable	6.78	5.88
Expense Payable	3.60	3.89
Advance for Sale of Investments		3.29
Interest Received in Advance	21.12	
	31.50	13.07
12 Capital		
Authorised Share Capital		
1,80,00,000 Equity shares of Rs. 10 each	1,800.00	1,800.00
	1,800.00	1,800.00
Issued Share Capital		
92,58,300 Equity shares of Rs. 10 each	925.83	925.83
	925.83	925.83
Subscribed and fully paid up share capital		
92,58,300 Equity shares of Rs. 10 each	925.83	925.83
	925.83	925.83

Notes:**(a) Reconciliation of number of equity shares subscribed**

Balance as at the beginning of the year	9,258,300	9,258,300
Add: Issued during the year	-	-
Balance at the end of the year	9,258,300	9,258,300

(b) Shares issued for consideration other than cash

There are no shares which have been issued for consideration other than cash during the last 5 years.

(c) Shareholders holding more than 5% of the total share capital

Name of the share holder	March 31, 2024		March 31, 2023	
	No of shares	%	No of shares	%
Bala Venckat Kutti	1,458,512	16%	1,458,512	16%
Bala Venckat Kutti - HUF	780,000	8%	780,000	8%
Soura Investments Holdings Private Limited	2,700,495	29%	2,700,495	29%
Loyal Credit and Investments Limited	1,133,800	12%	1,133,800	12%
K B Prathadevi	783,600	8%	783,600	8%
Commendam Investments Pvt Ltd	721,806	8%	721,806	8%

(d) Rights, preferences and restrictions in respect of equity shares issued by the Company

The company has only one class of equity shares having a par value of Rs.10 each. The equity shares of the company having par value of Rs.10/- rank pari-passu in all respects including voting rights and entitlement to dividend.

(e) Disclosure of share holding of promoters**Disclosure of share holding of promoters as at March 31, 2024**

S.No	Promotor Name	As at March 31, 2024		As at March 31, 2023		% Change during the year
		No. of shares	% of total shares	No. of shares	% of total shares	
1	Bala Venckat Kutti	1,458,512	15.75%	1,458,512	15.75%	-
2	K S Ravindranth	1,586	0.02%	1,586	0.02%	-
3	K B Pratha Devi	783,600	8.46%	783,600	8.46%	-
4	K V Bala HUF	780,000	8.42%	780,000	8.42%	-
5	Loyal Credit & Investments Limited	1,133,800	12.25%	1,133,800	12.25%	-
6	Indus Capital Private Limited	50,000	0.54%	50,000	0.54%	-
7	Soura Investments Holdings Private Limited	2,700,495	29.17%	2,700,495	29.17%	-
		6,907,993	74.61%	6,907,993	74.61%	-

13 Other Equity

a Capital Reserve	18.54	18.54
b Statutory Reserve	169.75	154.75
c Retained earnings	891.96	705.20
d Impairment Reserve	70.17	70.17
e Equity Instruments through OCI	326.61	25.94
Total	1,477.03	974.61
a) Capital reserve		
Balance at the beginning of the year	18.54	18.54
Additions/ (deductions) during the year		
Balance at the end of the year	18.54	18.54
b) Statutory Reserves as per Section 45-IC of the RBI Act, 1934		
Balance at the beginning of the year	154.75	146.89
Deductions/Adjustments during the year	15.00	7.86
Balance at the end of the year	169.75	154.75
c) Retained earnings		
Balance at the beginning of the year	705.20	673.77
Net profit for the period	74.99	39.29
Transfers to Statutory Reserves	(15.00)	(7.86)
Provision For Tax	(1.54)	
Transfers to Impairment Reserves	-	
Deferred Tax Adjustments	128.31	
Ind AS adjustments	-	
Balance at the end of the year	891.96	705.20
d) Impairment Reserve		
Balance at the beginning of the year	70.17	70.17
Transfers to Statutory Reserves		-
Balance at the end of the year	70.17	70.17
e) Equity Instruments through OCI		
Balance at the beginning of the year	25.94	357.45
Net profit for the period	300.67	(331.51)
Transfers to Statutory Reserves	-	-
Ind AS adjustments		
Balance at the end of the year	326.61	25.94

14 Nature and Purpose of Other Equity**a) Capital Reserve**

Capital Reserve consists of forfeiture of the amount received from shareholders on preferential on the lapse of the period to exercise right to convert the said warrants and on forfeiture of amounts paid on Equity Shares.

b) Statutory Reserves as per Section 45-IC of the RBI Act, 1934

The Company has created a Reserve Pursue to Section 45 IC of the Reserve Bank of India Act, 1934. by transferring amount not less than 20% of Net Profit for the period as disclosed in statement of Profit & Loss and before any Dividend declared.

c) Retained earnings

This Reserve represents the cumulative profits of the Company. This Reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

d) Impairment Reserve

In accordance with RBI circular no. RBI/2019-20/170 dated March 13, 2020, the company has provided for impairment allowances as required by Ind AS. In parallel, the company has also determined the asset classification and computed the impairment provisions as per extant prudential norms on Income Recognition, Asset Classification, and Provisioning (IRACP). A comparison between provisions required under IRACP and impairment allowances made under Ind AS 109 has been disclosed in Note No. 22.

Further, since impairment allowance under Ind AS 109 is lower than the provisioning required under IRACP the difference has been appropriated from net profit after tax to 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital.

No withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI. The requirement for 'Impairment Reserve' shall be reviewed, going forward as per further instructions from RBI

e) Equity Instruments through OCI**On equity investments**

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in the FVOCI equity investments reserve. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Indus Finance Limited

Notes to Financial Statements for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

	For the year ended March 31, 2024	For the year ended March 31, 2023
15 Interest Income		
- Amortised Cost		
Interest on loans	199.59	116.43
	199.59	116.43
16 Finance Cost		
Bank Charges	0.02	0.08
Interest Paid	86.96	39.63
	86.98	39.71
17 Impairment on financial instruments		
Loans	16.52	(3.37)
	16.52	(3.37)
18 Employee benefits expense		
Salaries and wages	83.50	88.17
Staff Welfare Expenses	3.63	4.07
	87.12	92.24
19 Depreciation and amortisation expense		
Depreciation of property, plant and equipment	3.37	3.08
Deferred Depreciation	48.06	-
	51.44	3.08
20 Other expenses		
Advertisement & publicity expens	2.38	1.73
AGM / EGM expenses		
Bad Debts		13.00
Business promotion	2.91	3.31
Communication	1.62	1.69
GST tax paid	3.50	2.76
Insurance charges	0.66	0.71
Late filing fees	0.16	0.15
Legal & professional charges	15.21	9.46
Loss on deregonisation of PPE		-
Miscellaneous expenses	0.93	1.50
Payments to auditors (refer note (i) below)	1.50	1.50
Power & fuel	2.08	1.91
Printing and stationery	0.42	0.79
Rates and taxes		6.02
Rent Paid	12.90	12.98
Repairs & maintenance	4.42	3.28
Sitting fee	1.85	2.10
Travelling and conveyance	17.44	20.12
Vehicles maintenance	0.11	0.05
	68.09	83.03
Payment to auditors		
Statutory Audit Fees	1.50	1.50
Tax Audit Fees		-
For Other Matters		-
	1.50	1.50
21 Earnings per share		
Profit for the year attributable to owners of the Company	74.99	39.29
Weighted average number of ordinary shares outstanding	92,58,300	92,58,300
Basic earnings per share (Rs)	0.81	0.42
Diluted earnings per share (Rs)	0.81	0.42

Indus Finance Limited

Statement of Changes in Equity for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

(A) Equity Share Capital

Balance at the beginning of April 1, 2022	925.83
Changes in equity share capital during the year	-
Balance at the end of March 31, 2023	925.83
Changes in equity share capital during the year	-
Balance at the end of March 31, 2024	925.83

(B) Other Equity

Particulars	Attributable to the owners of the Company					Items of OCI Equity Instruments through OCI	Total
	Reserves and surplus						
	General Reserve	Capital Reserve	Statutory Reserves as per Section 45-IC of the RBI Act, 1934	Retained Earnings	Impairment Reserve		
Balance as at April 1, 2022	-	18.54	146.89	673.77	70.17	357.45	1,266.83
Additions/ (deductions) during the year			7.86	39.29		(331.51)	(284.36)
Transfer to Statutory Reserves				(7.86)			(7.86)
Total Comprehensive Income for the year							-
Balance as at March 31, 2023	-	18.54	154.75	705.20	70.17	25.94	974.61
Balance as at April 1, 2023	-	18.54	154.75	705.20	70.17	25.94	974.61
Additions/ (deductions) during the year			15.00	74.99		300.67	390.65
Transfer to Statutory Reserves				(15.00)			(15.00)
Other Adjustments				126.77			126.77
Total Comprehensive Income for the year							-
Balance as at March 31, 2024	-	18.54	169.75	891.96	70.17	326.61	1,477.03

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

BHASKARA CHAKKERA
Chief Executive Officer

DINAKAR K K
Company Secretary

KANNAPPAN V
Chief Financial Officer

Place : Chennai
Date : 27.05.2024

As per our Report of even date attached
For M/s B N Misra & Co
Chartered Accountants
(FRN No. 321095E)

V Natarajan
Partner
M.No. 204900
UDIN: 24204900BKGDDX7279

1 Company 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. The object of the company is to carry on business as "Non - Banking Finance Company". The Registered Office of the Company is located 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.

2 Summary Of Significant Accounting Policies

2.1 Statement of compliance and basis for preparation and presentation of financial statements

These standalone or separate financial statements of the Company have been prepared in accordance with the Indian Accounting Standards as per the Companies (Indian Accounting Standards) Rules 2015 as amended and notified under Section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other relevant provisions of the Act. Any application guidance/ clarifications/ directions issued by RBI or other regulators are implemented as and when they are issued/ applicable.

These standalone or separate financial statements were approved by the Company's Board of Directors and authorised for issue on 29.05.2023.

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR' or 'Rs.') which is also the Company's functional currency. All amounts are rounded-off to the nearest lakhs, unless otherwise indicated.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair values.

2.4 Measurement of fair values

A number of Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has established policies and procedures with respect to the measurement of fair values. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

2.5 Use of estimates and judgements and Estimation uncertainty

In preparing these financial statements, management has made judgements, estimates for the year ended 31 March 2023 and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income, expenses and the disclosures of contingent assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were issued. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Following are areas that involved a higher degree of estimate and judgement or complexity in determining the carrying amount of some assets and liabilities.

Impairment of Financial Assets

The measurement of impairment losses on loan assets and commitments, requires judgement, in estimating the amount and timing of future cash flows and recoverability of collateral values while determining the impairment losses and assessing a significant increase in credit risk.

The Company's Expected Credit Loss (ECL) calculation is the output of a complex model with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL model that are considered accounting judgements and estimates include:

- The Company's criteria for assessing if there has been a significant increase in credit risk
 - The segmentation of financial assets when their ECL is assessed on a collective basis
 - Development of ECL model, including the various formulae and the choice of inputs
 - Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL model
- It has been the Company's policy to regularly review its model in the context of actual loss experience and adjust when necessary

The company adopts the policy of taking atleast 200% of loan amount as security value. Normally the same is ascertained with prevailing guideline value and the present market rate as per the latest registration in the locality. In the case of large property, company obtain valuation report from a approved valuer from the locality.

Provisions and other contingent liabilities

The reliable measure of the estimates and judgements pertaining to litigations and the regulatory proceedings in the ordinary course of the Company's business are disclosed as contingent liabilities. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2.6 Revenue recognition :

Recognition of interest income on loans

Interest income is recognised at the rate sanctioned in accordance with the loan agreement on the outstanding balance of the loan in proportion to the time period for which the loan was outstanding.

Dividend, bonus and income on investments:

- Dividends are recognised in Statement of profit and loss only as and when receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.
- In the case of keyman insurance policies, bonus is recognised in statement of profit and loss only on yearly basis.
- Income from investments is recognised when it is certain that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.7 Property, Plant and Equipments (PPE)

PPE are stated at cost of acquisition (including incidental expenses), less accumulated depreciation and accumulated impairment loss, if any.

The carrying amount of an item of property, plant and equipment shall be derecognised:

- (a) on disposal; or
- (b) when no future economic benefits are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment shall be included in profit or loss when the item is derecognised (unless Ind AS 17 requires otherwise on a sale and leaseback). Gains shall not be classified as revenue.

Depreciation on PPE is provided on straight-line basis in accordance with the useful life specified in Schedule II to the Companies Act, 2013 on a pro-rata basis.

2.8 Investments in subsidiaries and associates

Investments in subsidiaries and associate are measured at cost, if any.

2.9 Financial instruments :

a) Recognition and initial measurement -

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair

value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in Statement of profit and loss.

b) Classification and Subsequent measurement of financial assets-

On initial recognition, a financial asset is classified as measured at

- Amortised cost;
- FVOCI - equity instruments;
- FVTPL

Amortised cost -

The Company's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios being the level at which they are managed. The financial asset is held with the objective to hold financial asset in order to collect contractual cash flows as per the contractual terms that give rise on specified dates to cash flows that are solely payment of principal and interest (SPPI) on the principal amount outstanding. Accordingly, the Company measures Bank balances, Loans, Trade receivables and other financial instruments at amortised cost.

FVOCI - equity instruments -

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments and are not held for trading.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL.

Subsequent measurement of financial assets

For equity investments, the Company makes an election on an instrument-by-instrument basis to designate equity investments as measured at FVOCI. These elected investments are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the reserves. The cumulative gain or loss is not reclassified to Statement of profit and loss on disposal of the investments. These investments in equity are not held for trading. Instead, they are held for strategic purpose. Dividend income received on such equity investments are recognised in Statement of profit and loss.

Equity investments that are not designated as measured at FVOCI are designated as measured at FVTPL and subsequent changes in fair value are recognised in Statement of profit and loss.

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in Statement of profit and loss.

Indus Finance Limited

Notes to Financial Statements for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

22 Asset Classification as per RBI Norms

Particulars	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
Performing Assets						
Standard	Stage - 1	1,725.06	38.83	1,686.24	4.31	34.51
	Stage - 2	-	-	-	-	-
Sub Total		1,725.06	38.83	1,686.24	4.31	34.51
Non-Performing Assets (NPA)						
Substandard	Stage-3			-		-
Doubtful						
- up to 1 year	Stage-3			-		-
- 1 to 3 years	Stage-3			-		-
more than 3 years	Stage-3	50.87	50.87	-	50.87	-
Subtotal for doubtful		50.87	50.87	-	50.87	-
loss	Stage-3	-	-	-	-	-
Subtotal of NPA		50.87	50.87	-	50.87	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage-1	-	-	-	-	-
	Stage-2	-	-	-	-	-
	Stage-3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage-1	1,725.06	38.83	1,686.24	4.31	34.51
	Stage-2	-	-	-	-	-
	Stage-3	50.87	50.87	-	50.87	-
Total	Total	1,775.93	89.70	1,686.24	55.18	34.51

c) Financial liabilities and equity instruments

Classification as debt or equity -

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments -

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by Company are recognised at the proceeds received. Transaction costs of an equity transaction are recognised as a deduction from equity.

Financial liabilities -

Financial liabilities are classified as measured at cost. Other financial liabilities are subsequently measured at cost. Interest expense and foreign exchange gains and losses are recognised in Statement of profit and loss. Any gain or loss on derecognition is also recognised in Statement of profit and loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

e) Impairment of financial instruments

Equity instruments are not subject to impairment under Ind AS 109.

The Company recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition and when the financial instrument is credit impaired. If the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition. 12 month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

When determining whether credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, including on historical experience and forward-looking information. (refer note 15)

f) Write offs -

The gross carrying amount of a financial asset is written off when there is no realistic prospect of further recovery. This is generally the case when the Company determines that the debtor/borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in Statement of profit and loss.

2.10 Employee benefits:

The Company has not formulated any policy for employee benefits, including Provident Fund, ESI or Gratuity.

2.11 Finance costs :

Finance costs include interest expense computed by applying the contracted interest rate on respective loans. Finance costs are charged to the Statement of profit and loss.

2.12 Taxation - Current and deferred tax:

Income tax expense comprises of current tax and deferred tax. It is recognised in Statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

a) Current tax :

Current tax comprises amount of tax payable in respect of the taxable income or loss for the year determined in accordance with Income Tax Act, 1961 and any adjustment to the tax payable or receivable in respect of previous years. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

b) Deferred tax :

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequence that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary difference could be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

2.13 Provisions :

Provisions are recognised when there is a present obligation as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.14 Cash and cash equivalents:

Cash and cash equivalents in the balance sheet comprise cash on hand, cheques and drafts on hand, balance with banks in current accounts and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.

2.15 Earnings Per Share :

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period, if any. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, sub-division of shares etc. that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is divided by the weighted average number of equity shares outstanding during the period, considered for deriving basic earnings per share and weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

2.16 Estimation uncertainty relating to the global health pandemic from COVID-19:

In March 2020, the World Health Organisation declared COVID-19 a global pandemic. Consequent to this, Government of India declared a nation-wide lockdown from 24th March 2020. Subsequently, the nation-wide lockdown was lifted by the Government of India, but regional lockdowns continue to be implemented in areas with significant number of COVID-19 cases. Although, the Company witnessed significant improvement in its operations during the second half of the year, the Company remains watchful of the potential impact of COVID-19 pandemic, particularly the current "second wave", on resuming normal business operations on a continuing basis. Accordingly, the Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these financial statements, to determine the impact on the Company's revenue from operations and estimation of sales related expenses over the foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, deferred tax assets and input tax credit receivables. The impact of COVID-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's financial results, which may differ from impact considered as at the date of approval of these financial statements. The Company continues its business activities, in line with the guidelines issued by the Government authorities, take steps to strengthen its liquidity position. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

Indus Finance Limited**Notes to Financial Statements for the year ended March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

23 Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on “Related Party Disclosures” notified under the Companies (Indian Accounting Standard) Rules, 2015:**a) List of parties having significant influence****Holding company** The Company does not have any holding company

Associates and Fellow Associates

Indowind Energy Limited
 Ind Eco Ventures Limited
 Indonet Global Limited
 Indus Nutri Power Private Limited
 Loyal Credit and Investments Limited
 Indus Capital Private Limited
 Everon Power Limited
 Bekae Properties Private Limited
 Soura Capital Private limited
 Soura Investments Holdings Private Limited
 Perpetual Power Private Limited
 Kishore Electro Infra Private limited
 Quantam Limited

Key management personnel

Bala Venckat Kutti - (Chairman)
 N Bhaskara Chakkera - (Chief Executive Officer)
 Kanappan V - (Chief Finance Officer)
 K K Dinakar - (Company Secretary)

b) Transaction with related parties:

		2024	
Name of the related party and nature of relation:	Nature of Transaction	Transaction value	Outstanding amounts carried in Balance Sheet
a) Indowind Energy Limited	Investment in Equity Shares	-71.60	342.80
	Consultancy Charges	25.00	-
	Loans provided	775.00	399.68
	Loan settled	375.32	399.68
	Interest Income	98.80	
	Consideration Received towards Sale of Investments	-3.29	-
b) Bekae Properties Pvt Limited	Investment in Equity Shares	-	-
	Security Deposit	-	25.00
	Rent Paid	12.00	-
	Power & Fuel	2.97	-
c) Indonet Global Limited	Investment in Equity Shares		
	Loans taken	25.00	-
	Loan repaid	25.00	-
d) Ind Eco Ventures Limited	Investment in Equity Shares	-1.62	-
	Loans taken		
	Loan repaid		
	Loan provided		
	Loan settled	153.39	-
	Interest Income	24.51	-
	Consultancy Charges	10.00	-
e) Indus Nutri Power Private Limited	Investment in Equity Shares		

f) Quantum Limited	Investment in Equity Shares		93.98
g) Soura Investments Holdings Private Limited	Investment in Equity Shares	-1.62	
	Loans taken	20.00	
	Loan repaid	20.00	
	Consideration Received towards Sale of Investments		
h) Everon Power Private Limited	Loans taken		
	Loan repaid		
i) Kishore Electro Infra Private limited	Loans provided	148.00	252.77
	Loan settled	45.67	252.77
	Interest Income	29.44	
j) Loyal Credit and Investments Limited	Loans provided	8.00	-
	Loan settled	158.14	-
	Interest Income	16.96	-
	Consultancy Charges	25.00	-
	Receivable towards sale of Investments	32.49	32.49
k) Soura Capital Private limited	Loans taken	20.00	-
	Loan repaid	20.00	-
l) Indus Capital Private Limited	Loans taken	1,285.00	904.60
	Loan repaid	380.40	904.60
	Interest Paid	47.33	-
c) Key management personnel (KMP) and their relatives			
a) Bala Venckat Kutti	Remuneration	36.00	-2.65
b) Niranjan Raosaheb Jagtap	Sitting Fees	0.35	-
c) Kandallu Shyamsundar Rajaram	Sitting Fees	0.75	-
d) Kanagasabapathy Vasuki Balasubramaniam Kodumudi	Sitting Fees	0.75	-
e) Kannappan Vellaiyappan	Remuneration	13.70	-1.12
	Advance repaid	0.95	2.05
f) Nanchar Bhaskara Chakkera	Remuneration	17.09	-1.41
	Advance taken	5.00	
	Advance repaid	5.00	
f) Dinakar K K	Remuneration	5.96	0.48

24 Disclosures pursuant to paragraph 13 of Non-Banking Financials (Non Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

	Particulars	Amount outstanding	Amount Overdue
LIABILITIES SIDE:			
1	Loans and Advances availed by the Non-banking financial company inclusive of interest accrued thereon but not paid	1,400.96	-
a	Debentures:		
	Secured	-	-
	Unsecured	-	-
	(Other than falling within the meaning of public deposits*)		
b	Deferred Credits	-	-
c	Term Loans	-	-
d	Inter-Corporate Loans and Borrowing	904.60	-
e	Commercial Paper	-	-
f	LIC of India (Secured Against Keyman Insurance)	496.36	-
ASSET SIDE:			
2	Break-up of Loans and Advances including bills receivable		
	Secured	1,082.37	-
	Unsecured	693.57	-
3	Break up of Leased Assets and stocks on hire and other assets counting towards AFC activities		
i)	Lease assets including lease rentals under sundry debtors:		
a)	Financial Lease	-	-
b)	Operating lease	-	-
ii)	Stock on hire including hire chargee under sundry Debtors:		
a)	Asset on Hire	-	-
b)	Repossessed Assets	-	-
iii)	Other loans counting towards AFC Activities:		
a)	Loans where assets have been repossessed	-	-
b)	Loans other than (a) above	-	-
3	Breakup of Investments:		
	Current Investments:		
1	Quoted:		
i)	Shares:		
	a) Equity Shares	-	-
	b) Preference Shares	-	-
ii)	Debentures and Bonds	-	-
iii)	Units of Mutual funds	-	-
iv)	Government Securities	-	-
v)	Others (Please Specify)	-	-
2	Unquoted:		
i)	Shares:		
	a) Equity Shares	-	-
	b) Preference Shares	-	-
ii)	Debentures and Bonds	-	-
iii)	Units of Mutual funds	-	-
iv)	Government Securities	-	-
v)	Others (Please Specify)	-	-
	Long Term Investments:		
1	Quoted:		
i)	Shares:		
	a) Equity Shares	-	-
	b) Preference Shares	-	-
ii)	Debentures and Bonds	-	-
iii)	Units of Mutual funds	-	-
iv)	Government Securities	-	-
v)	Others (Please Specify)	-	-

2	Unquoted:			
i)	Shares:			
	a) Equity Shares	93.98	-	-
	b) Preference Shares	-	-	-
ii)	Debentures and Bonds	-	-	-
iii)	Units of Mutual funds	-	-	-
iv)	Government Securities	-	-	-
v)	KeyMan Insurance Policy	519.84	-	-
4	Borrower group-wise classification of asset financed as in (2) and (3) above:			
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
1	Related Parties**			
a)	Subsidiaries	-	-	-
b)	Companies in the same group	-	-	-
c)	Other related parties	-	-	-
2	Other Than Related Parties	1,082.37	693.57	1,775.93
5	Investor group-wise classification of all investments (Current and long term) in chares and securities (both quoted & unquoted) :			
	Category	Market value / Break up of fair value or NAV		Book Value (Net of Provisions)
1	Related Parties**			-
a)	Subsidiaries			-
b)	Companies in the same group		848.84	874.18
c)	Other related parties		-	-
2	Other Than Related Parties		34.54	7.06
** As per Accounting Standard of ICAI				

6	Other Information	
	Particulars	Amount
i)	Gross Non-Performing Assets	
	a) Related Parties	-
	b) Other than Related Parties	50.87
ii)	Net Non-Performing Assets	
	a) Related Parties	-
	b) Other than Related Parties	-
iii)	Assets acquired in satisfaction of debt	-

Indus Finance Limited**Notes to Financial Statements for the year ended March 31, 2024**

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

25 Capital Management

The primary objective of the Company's capital management policy is to ensure that the Company complies with externally imposed capital requirements and maintains strong credit ratings and healthy capital ratios in order to support its business and to maximize shareholder value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and requirements of the financial covenants. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend payment to shareholders, return capital to shareholders or issue capital securities. No changes have been made to the objectives, policies and processes from the previous years. However, they are under constant review by the Board.

Ratio	Current Year	Previous Year
Capital to risk-weighted assets ratio (CRAR)	61.57%	76.06%
Tier I CRAR	60.59%	75.57%
Tier II CRAR	0.98%	0.50%
Liquidity Ratio	0.53	0.37

Regulatory capital consists of Tier1 capital which comprises share capital, share premium, and retained earnings including current year profit less accrued dividends. Certain adjustments are made to Ind AS-based results and reserves, as prescribed by the Reserve Bank of India. The other component of regulatory capital is Tier 2 capital instruments.

26 Additional Regulatory Disclosures As Per Schedule Iii Of Companies Act, 2013

- 1 No immovable property are held in the name of the company
- 2 The Company does not have any investment property.
- 3 As per the Company's accounting policy, Property, Plant and Equipment (including Right of Use Assets) and intangible assets are carried at historical cost (less accumulated depreciation & impairment, if any), hence the revaluation related disclosures required as per Additional Regulatory Information of Schedule III (revised) to the Companies Act, is not applicable
- 4 The Company has not granted Loans or Advances to promoters, Directors, KMPs and the related parties (As per Companies Act, 2013) without specifying any terms or period of repayments.

Type of Borrower	Amount of loan or advance in the nature of loan outstanding (Rs. Lakhs)	Percentage to the Total Loan or advances in the nature of loans
Promotprs		
Directors		
KMPs	2.05	0.12%
Related Parties		

- 5 No proceedings have been initiated or pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- 6 The Company has no sanctioned facilities from banks on the basis of security of current assets. Hence, no periodic returns required to filed by the Company with such banks.
- 7 The Company has not been declared as a Wilful defaulter by any bank or financial institution or other lender in the financial years ended March 31, 2024 & March 31, 2023
- 8 There are no transactions with the Companies whose name are struck off under Section 248 of The Companies Act, 2013 or Section 560 of the Companies Act, 1956 during the year ended March 31, 2024.
- 9 All applicable cases where registration of charges or satisfaction is required to be filed with Registrar of Companies have been filed. No registration or satisfaction is pending for the year ended March 31, 2024.
- 10 No scheme of arrangement has been approved by the competent authority in terms of Section 230 to 237 of the Companies Act, 2013.
- 11 The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiary
- 12 The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- 13 The Company has not operated in any crypto currency or Virtual Currency transactions
- 14 During the year the Company has not disclosed or surrendered, any income other than the income recognised in the books of accounts in the tax assessments under Income Tax Act, 1961.
- 15 During the year the Company has claimed Depreciation of Rs. 3.37 Lakhs (Previous Year Rs. 3.08 Lakhs)
- 16 During the year the Company has paid to auditor Rs. 1.50 Lakhs (Previous Year Rs. 1.50 Lakhs) towards Statutory Audit, Rs. Nil (Previous Year Rs. 1.10 Lakhs) for other matters

Indus Finance Limited

Notes to Financial Statements for the year ended March 31, 2024

(All amounts are in lakhs of Indian Rupees, unless otherwise stated)

27 Previous Year Figures

Previous year figures have been regrouped/reclassified/readjusted, wherever necessary, to conform to the current year's classification

The accompanying notes form an integral part of the financial statements

For and on behalf of the board

As per our report of even date attached
For M/s B N Misra & Co
Chartered Accountants
(FRN No. 321095E)

BALA VENCKAT KUTTI
Chairman
DIN - 00765036

BHASKARA CHAKKERA
Chief Executive Officer

V Natarajan
Partner
M.No. 204900
UDIN: 24204900BKGDDX7279

DINAKAR K K
Company Secretary

KANNAPPAN V
Chief Financial Officer

Place : Chennai
Date : 27.05.2024



Kothari Building, 4th Floor, 114, Mahatma Gandhi Road, Nungambakkam, , Chennai, Tamil Nadu, 600034

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