



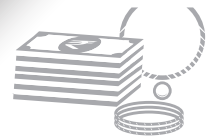
AGRO INDUS CREDITS

21st ANNUAL REPORT

2017-2018

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**Corporate Information**

Registered Office 34/1873, Mazhuvanchery Building
 Mamangalam Palarivattom Post Kochi 682025
 Telephone: 2341288, 2341289
 Website : www.agroindus.co.in
 CIN NO.: U65910KL1997PLC011088
 RBI REG NO. 16.00030

Directors and Committees**Board of Directors**

- ❖ Mr. K.K.Vijayan
- ❖ Mr. K. Muraleedharan
- ❖ Mr. S. Jayakumar
- ❖ Mr. C.R. Prasannan
- ❖ Mr. P.B. Pradeep Kumar
- ❖ Mr. V. Prakash Damodaran
- ❖ Mr. T.C. Ramesh – Independent Director
- ❖ Mr. Atul Bhargava – Independent Director

Key Managerial Personnel

Chief Executive Officer Mr. C.P. Sasidharan
 Chief Financial Officer * Mr. Maheshkumar M
 Company Secretary Ms. Kavitha Shah

Audit Committee

Mr. Pradeep Kumar PB - Chairman
 Mr. TC Ramesh
 Mr. Atul Bhargava

Nomination And Remuneration Committee

Mr. CR Prasannan - Chairman
 Mr. TC Ramesh
 Mr. Atul Bhargava

Statutory Auditors

M/s.Rejith & Maju
 Chartered Accountants, Ernakulam

** M/s. Krishnamoorthy & Krishnamoorthy,
 Chartered Accountants, Ernakulam

Internal Auditors

M/s. Krishnamoorthy & Krishnamoorthy
 Chartered Accountants, Ernakulam

*** M/s. JGS & Associates
 Chartered Accountants, Thrissur

Bankers

City Union Bank Limited
 Dhanlaxmi Bank Limited
 State Bank of India
 Federal Bank Limited

*Ms. Lakshmi P resigned on 30/04/2018 and Mr Maheshkumar M joined service w.e.f 02/05/2018

** M/s Rejith & Maju, Chartered Accountants were appointed as the Statutory Auditors in the 20th Annual General Meeting till the conclusion of the 25th Annual General Meeting.

*** M/s. Krishnamoorthy & Krishnamoorthy are appointed as the Internal Auditors w.e.f. 01/11/2017

From the desk of CEO.

Dear Shareholders,

It is with great deal of satisfaction and pride that we look back at the year gone by ending March 31st 2018. It gives me great pleasure to share with you an update on the overall performance of your company in FY 2017-18. The year under review had a decent volume and profit growth given in macro-environment headwinds.

Economic Overview-Global

Global economy is experiencing a most broad based recovery since 2015. In 2017-18 most of the developed countries experienced improvement in their growth rates. The latest World Economic Outlook (WEO) of IMF shows global GDP growth accelerated to around 3.6 percent in 2017 from 3.2 percent in 2016. The strong momentum experienced in 2017 is expected to carry into 2018 and 2019 with global growth revised up to 3.9 percent for both the years. The growth forecast for United States has been revised up given stronger than expected activity in 2017. U S economic growth appears on track to record a Steller performance during the first quarter fueled by strong business investment, tax cuts and ever tightening labour market. The unemployment rate hit a new low, and growth in retail sale accelerated as consumer confidence reached near a historic high. It is expected that the U S GDP will rise to 2.8 % in 2018. Growth rates for many of the Euro area economies have been marked up especially Germany, Italy and Netherlands reflecting the stronger momentum in their domestic market. This upward trend is also visible in advanced Asian economies as well which are especially sensitive to the outlook for global trade and investment.

Economic Overview-Domestic

Indian financial market is witnessing radical changes in tune with global counterparts. New financial products are entering in to our markets. International players become very active in domestic markets. Its impact is already evident in the domestic money market. The year 2017-18 witnessed large scale reform initiatives in its full force. Goods and service tax (GST) was rolled out on schedule on July 1, 2017. This has created a single market for providers of goods and services. The teething troubles relating to implementation of the GST are receding and credit off take has improved in the recent period. The other major reforms were the constitution of National Company Law Tribunal and insolvency and Bankruptcy Code (IBC). This is likely to reduce the time taken to resolve stressed assets through a time bound resolution program for referred accounts. As per the provisional estimates of annual national income 2017-18 released by Central Statistics office the growth in GDP (constant prices) for 2017-18 is 6.7 percent as compared to the growth rate of 7.1 percent in 2016- 17.

Performance of Banking & NBFC sector

The Indian banking industry continued to face challenging times during the year due to the rising NPA in balance sheets, especially public sector banks. The Government of India announced a large re capitalization package to public sector banks to strengthen their balance sheets. Bank's asset quality pressures have remained elevated during FY 2017-18 due to tepid growth in the economy and low capex demand. According to the economic survey for 2017-18 tabled before the parliament, the gross NPA of scheduled commercial banks had increased from 9.16 % to 10.2% between 2017 and 2018. The gross NPA of public sector banks increased from 12.5% to 13.5% during the same period. Whereas the gross NPA percentage of NBFC's had declined to 5.5 from 6.1 as on March 2018. The Non-Banking Finance Company (NBFC) sector saw a largely stable outlook for major NBFCs. From the perspective of larger financial system, Scheduled Commercial Banks continued to be the dominated players accounting for nearly 47% of the bilateral exposure followed by Asset Management



companies managing Mutual Funds (AMC-MFs), Non-Banking Finance Companies (NBFCs), Insurance Companies, Housing Finance Companies (HFCs) etc. Non-banking finance companies (NBFCs) form an integral part of the Indian financial system. They play an important role in nation building and financial inclusion by complementing the banking sector in reaching out credit to the unbanked segments of society, especially to the micro, small and medium enterprises (MSMEs), which form the cradle of entrepreneurship and innovation. However, NBFCs operate under certain regulatory constraints, which put them at a disadvantage vis-à-vis banks. While there has been a regulatory convergence between banks and NBFCs on the asset side, on the liability side, NBFCs still do not enjoy a level playing field. This needs to be addressed to help NBFCs realize their full potential and thereby perform their duties with greater efficiency. Moreover, with the banking system clearly constrained in terms of expanding their lending activities, the role of NBFCs becomes even more important now, especially when the government has a strong focus on promoting entrepreneurship so that India can emerge as a country of job creators instead of being one of job seekers. Innovation and diversification are the important contributors to achieve the desired objectives. As per a recently conducted survey the share of bank credit to the commercial sector was about 56% as late as 2011. Whereas the same has been plummeted to 38% now and the share of non -bank credit has added up to 62%.

Our Performance –a Glance

Presently our Company is undergoing a unique transitional change. We are slowly moving out from our old identity as a small regional finance company to an innovative financial intermediary. As decided in our last AGM Company's name and logo has been modified. In order to equip ourselves to meet the changing preference of our large clientele & well-wishers the name has been changed to "Agro Indus Credits Ltd". Being a vibrant organization which is always committed and dedicated for the social cause we selected a new logo which synchronizes our urge and mission for the fulfillment of a better future. With this vision we continue our efforts to reach to new destinations. During the year we expanded our branch network to fifty. We are continuing our expansion programme to reach seventy five numbers by the end of Q 3 of current fiscal. For the time being branch network is restricted in Kerala and Tamil Nadu States only. During the FY 2017-18 your company's total business and net profit rose to further heights. We are confident that we can successfully address all challenges with your support and patronage.

Thanks & regards,

C P Sasidharan
Chief Executive Officer

NOTICE

NOTICE is hereby given that the 21st Annual General Meeting of the Company Agro Indus Credits Limited (Formerly Agro Indus Finance and Leasing India Limited) will be held on **Tuesday 21st August, 2018 at 10.30 AM**, at the Registered Office of the Company situated at 34/1873, Mazhuvanchery Building, Mamangalam, Palarivattom Post Kochi-682025 to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report, Audited Balance Sheet as on 31st March, 2018 and the Statement of Profit and Loss for the year ended on that date.
2. To appoint a Director in the place of Mr. K Muraleedharan (DIN:-03232525) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Mr. Prakash Damodaran (DIN:-02070266) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

- 4. To consider and, if thought fit, to pass the following resolution for adoption of new Memorandum of Association, as Special Resolution:**

"RESOLVED THAT pursuant to Section 13 of the Companies Act, 2013 and the Rules framed there under) approval is be and hereby accorded for replacing the old object with new objects in the Memorandum of Association of the company and also to carry out consequential amendments in the Memorandum of Association of the Company.

RESOLVED FURTHER THAT Mr. K.K. Vijayan- Director Mr. C.P. Sasidharan- CEO and Ms. Kavitha Shah, Company Secretary of the Company be and are hereby severally authorized to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters and things, including delegating such authority, as may be considered necessary, proper or expedient in order to give effect to the above resolution and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable (including without limitation making the appropriate e-filings with the Registrar of Companies, Kerala/ Ministry of Corporate Affairs), in connection with the amendment of Memorandum of Association of the Company, as approved by the Board and the members of the Company and/ or generally to give effect to the foregoing resolutions."

- 5. To consider and, if thought fit, to pass the following resolution for adoption of new Articles of Association, as Special Resolution:**

"RESOLVED THAT pursuant to the provisions of the Companies Act, 2013 and the rules (framed there under) approval of the Shareholders be and is hereby accorded to amend the Articles of Association in line with the Companies Act., 2013.

RESOLVED FURTHER THAT Mr. KK. Vijayan- Director, Mr. CP Sasidharan- CEO and Ms. Kavitha Shah, Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things and to sign all such other documents, in each case, as they or any of them may deem necessary, proper or desirable (including without limitation making the appropriate e-filings with the Registrar of Companies, Kerala/ Ministry of Corporate Affairs), in connection with the adoption of the new set of Articles of Association of the Company, as approved by the Board and the members of the Company and/ or generally to give effect to the foregoing resolutions."



6. To consider and if thought fit, to pass with or without modification, the following resolution for Issue of Securities on Private Placement Basis as Special Resolution:

"RESOLVED THAT pursuant to the provisions of section 42, 71 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and Rules made there under (including any statutory modifications, amendment, clarifications, exemptions or re-enactment thereof, from time to time), and pursuant to the provisions of RBI (RBI/FED/2015-16/2) FED Master Direction No. 6/2015-16 as amended up to date and other applicable RBI regulations and guidelines, the provisions of Memorandum and Articles of Association of the Company and subject to such applicable laws, rules and regulations and guidelines, subject to approval of the members of the Company approval of Board of Directors be and is hereby accorded to offer, issue and allot, in one or more tranches Unlisted Secured Redeemable Non-convertible Debentures (NCDs) including but not limited to subordinate debentures, bonds, and/or other debt securities etc. on private placement basis, during the period of one year from the date of passing of the Special Resolution by the members, for an amount not exceeding Rs. 25 Crore (Rupees Twenty Five Crore only) on such terms and conditions and at such times at par or at such premium, as may be decided by the Board to such person(s), including one or more company(ies), bodies corporate, statutory corporations, commercial banks, lending agencies, financial institutions, insurance companies, mutual funds, pension/provident funds and individuals, as the case may be or such other person(s) as the Board/Committee of Directors (hereinafter referred to as "the Board") may in its absolute discretion deem fit and proper, however, that the aggregate amount of funds to be raised by issue of NCDs, subordinate debentures, bonds, and/or other debt securities etc shall not exceed the overall borrowing limits of the Company, as may be approved by the Members from time to time.

RESOLVED FURTHER THAT Mr K. K. Vijayan- Director, Mr C. P. Sasidharan- CEO and Ms. Kavitha Shah- Company Secretary of the Company be and is hereby authorized to execute and issue the Private Placement Offer Letter to the Subscribers on behalf of the Company;

RESOLVED FURTHER THAT Mr K. K. Vijayan- Director, Mr C. P. Sasidharan- CEO and Ms. Kavitha Shah- Company Secretary of the Company be and is hereby authorized to appoint a debenture trustee for the issue of the Debentures

RESOLVED FURTHER THAT Mr K. K. Vijayan- Director, Mr C. P. Sasidharan- CEO and Ms. Kavitha Shah- Company Secretary of the Company, be and is hereby authorized to negotiate, finalize and sign, execute or ratify, on behalf of the Company, the Debenture Trustee Agreement for the appointment of the Debenture Trustee and the Debenture Trust Deed setting out inter alia the terms upon which the Debentures are being issued and to do all such acts, deeds and things as may be necessary or expedient to implement this resolution and to do and execute all acts and deeds as may be required by the Debenture Trustee in connection with the aforesaid.

RESOLVED FURTHER THAT Mr K. K. Vijayan- Director, Mr C. P. Sasidharan- CEO and Ms. Kavitha Shah- Company Secretary of the Company be and is hereby authorized to create / cause creation of the Security in favour of the Debenture Trustee and to do all such acts, deeds and things as may be necessary for the purpose and for perfecting the Security so created.

RESOLVED FURTHER THAT Mr K. K. Vijayan- Director, Mr C. P. Sasidharan- CEO and Ms. Kavitha Shah- Company Secretary of the Company, be and is hereby authorized to negotiate, finalise and execute or ratify on behalf of the Company, necessary security documents in favour of the Trustee including Deed(s) of Pledge, Agreement to Pledge, Power of Attorney, etc. and also to approve, finalize and execute or cause to be executed or ratify on behalf of the Company all other deeds, documents, undertakings,



mandates, agreements, assignments, guarantees, pledge, hypothecation deeds, powers of attorney, promissory notes and instruments and writings in favour of the Trustee in connection with the Debentures and the Security as may be required under the Debenture Trust Deed.

RESOLVED FURTHER THAT Common Seal of the Company be affixed to such documents, deeds, evidences, writings and undertakings and/or other related papers, wherever necessary and if applicable, in terms of the Articles of Association of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, Mr. KK Vijayan- Director, Mr. CP Sasidharan- CEO and Ms. Kavitha Shah- Company Secretary are be and hereby severally authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable, proper or expedient for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto including but not limited to:

- ✓ Ratification of all such resolutions or documents whatsoever as may be required in connection with the issue of the Debentures, allotment of the Debentures, opening of bank accounts.
- ✓ Finalise the detailed terms and conditions of the Debenture/Bonds Issue, size of issue, tenure of issue, interest payment frequency, redemption premium, arranger's fee and security with regard to secured Debentures etc.
- ✓ Obtain credit rating of the debentures/securities issued from Credit Rating Agencies.

RESOLVED FURTHER THAT the Company shall open a separate bank account in the name and style "Agro Indus Credits Limited Debenture Account", to receive debenture allotment monies and to credit the said account with such amount."

RESOLVED FURTHER THAT the said Bank be and is hereby authorized to honour debenture refund vouchers from and out of the credit balance in the said account."

RESOLVED Further THAT aforesaid resolutions shall come into effect immediately and a copy of the foregoing resolution certified to be a true copy by any one Director or Company Secretary may be furnished to such parties concerned with respect to the issue of Debentures."

Place: Kochi

Date: 29/06/2018

**by order of the Board
For Agro Indus Credits Limited**

Kavitha Shah
Company Secretary
(Membership No: A31677)

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DULY COMPLETED, STAMPED, SIGNED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. For the convenience of Members, an Attendance Slip is annexed to the Proxy form. Members are requested to affix their signature as registered with the Company at the space provided therein and handover the Attendance Slip at the entrance to the place of the Meeting.

3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

5. Members/Proxy are requested to bring their attendance slip to the Meeting.

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.



7. Relevant documents referred to in the accompanying Notice and the Statement is open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.

EXPLANATORY STATEMENT AS REQUIRED U/S. 102 OF THE COMPANIES ACT, 2013.

ITEM NO.4

Upon enactment of the Companies Act, 2013, the Memorandum of Association of the Company were required to be re-aligned as per the provisions of the new Act.

Your directors' in its meeting held on 29th June 2018 had approved (subject to the approval of members) the amendment in the Memorandum of Association of the Company with respect to the following:

- a. Clause III (A) – Main Objects of the Company by way of insertion(s)/ deletion(s)/ alteration(s), however there is no change in the core business of the Company;
- b. Clause III (B) - Matters which are necessary for furtherance of the Objects specified In Clause 3(A) by way of insertion(s)/ deletion(s)/ alteration(s);
- c. Clause III (C) – Other objects have been deleted;
- d. Other amendments required to align the existing Memorandum of Association with the provisions of the Companies Act, 2013.

The draft of the amended Memorandum of Association proposed for approval, are circulated along with this notice of the Annual General Meeting and also available for inspection by the shareholders of the Company during normal business hours at the Registered office of the Company and copies thereof shall also be made available for inspection at the Corporate Office of the Company and also at the place of the meeting on the same day.

In terms of Section 13 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for proposed amendments in the Memorandum of Association of the Company.

Your Directors recommend passing of this resolution by way of special resolution.

None of the directors, KMPs, or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 4.

ITEM NO. 5

Upon enactment of the Companies Act, 2013, various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act.

The Board of Directors in its meeting held on 29th June 2018 decided (subject to the approval of members) to adopt a new set of Articles of Association in place of and to the exclusion of existing Articles of Association of the Company.

The draft of the new set of Articles proposed for approval is being circulated along with this notice of the Annual General Meeting and also available for inspection by the shareholders of the Company during normal business hours at the Registered office of the Company and copies thereof shall also be made available for inspection at the Corporate Office of the Company and also at the place of the meeting on the same day.

In terms of Section 5 and 14 of the Companies Act, 2013, the consent of the Members by way of special resolution is required for adoption of new set of Articles of Association in line with Companies Act 2013 of the Company.

Your Directors recommend passing of this resolution by way of special resolution.

None of the directors, KMPs, or their relatives are interested or concerned, financially or otherwise, in the resolution set out at item no. 5.

ITEM NO. 6

Board in its 5th (2016-17) meeting dated 30th July 2016 had approved for Issuance of Shares of Rs.85000000(Eight crore fifty Lakhs) and this was further approved in EGM dated 03rd November 2016. Company could not issue Shares due to higher interest rate and poor liquidity in the market at that time. The same was cancelled in the Board Meeting held on 29/06/2018.



A fresh issue of debentures would help the Company to improve its balance sheet and credit profile resulting in improved credit rating and hence capability to obtain credit facilities at better terms and reduced rate of interest. Further, with overall reduction in base lending rate by banking sector, there is further scope to borrow at reduced rate of interest. While mobilisation of the funds, the Company felt willingness of the investors to subscribe for non-convertible debt securities of the Company. Further, on analysis of the present debt profile, it was felt that the Company can further replace few of its current or near term maturity debts as well as some more high cost debts with fresh mobilisation of funds. Accordingly, it is proposed to seek consent of the members for issuance of further non-convertible debentures of Rs.25,00,00,000 (Rupees Twenty Five Crore). The present borrowing initiative would also help the Company to replace some of its present high cost near term maturity debts with lower cost and long term maturity debts and further reducing overall cost of funding and improving debt maturity profile of the Company. The Company also proposes to borrow for certain general corporate purpose such as (a) brand building and other marketing expenses (b) acquiring assets such as furniture, fixtures, vehicles and spend on lease improvements, and (c) meeting any expenses incurred in ordinary course of business of our company, including salary, rent, administration expenses, insurance related expenses and payment of taxes and duties and such other expenses as may be approved by the Board.

Looking into the refinancing need of the Company and favorable Debt market, it is proposed to issue NCD of Rs.25 Cr. As per Sec 71 of the Companies Act, 2013 a company may issue debentures and as per Sec 42 of the Companies Act, 2013 and Rule 14(2) (a) of the Companies (Prospectus & Allotment of Securities) Rules, 2014 a company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the company, by a Special Resolution, for each of the Offers or Invitations. Second Proviso to Rule 14(2)(a) in case of offer or invitation for non-convertible debentures, it shall be sufficient if the company passes a special resolution only once in a year for all the offers or invitation for such debentures during the year.

Pursuant to Sec 71 and Sec 42 (2) read with Rule 14 of the Companies (Prospectus & Allotment of Securities) Rules, 2014 approval of the members is sought by way of special resolution to issue and allot redeemable, non-convertible debentures aggregating up to Rs. 25 Crores, in such tranches and as per the terms to be decided by the Board and validity of such approvals would be one year from the date of passing of such resolution.

The Directors recommends the resolution for members' approval as Special Resolution. None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution except for the amounts they subscribe for.

Place: Kochi

Date: 29/06/2018

**by order of the Board
for Agro Indus Credits Limited**

Kavitha Shah
Company Secretary
(Membership No: A31677)

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure of presenting before you the Company's Twenty-first Annual Report along with the Audited Statements of Accounts for the year ended 31st March, 2018 and the Report of the Auditors thereon.

1. Business:

Financial year 2017-18 marked a charismatic growth for the Non-Banking Financial Companies (NBFC) industry. According to the Reserve Bank of India's (RBI) Financial Stability Report, NBFC loans expanded 16.6% in the year, twice as fast as the pedestrian credit growth of 8.8% across the banking sector.

Economic sector had sustained domestic changes. Its implications are seen in the Banking & NBFC sector. Your company has given thrust for gold and mortgage loan portfolio during the year.

2. Financial Results:

During the year under review, your Company has witnessed strategic changes. The details will be explained in the following pages under respective headings. The Company publishes its standalone accounts according to Indian Generally Accepted Accounting Principles (GAAP).

THE COMPANY'S FINANCIAL HIGHLIGHTS

Particulars	As at 31.03.2018	As at 31.03.2017
	(In Rupees)	
Gross Revenue	10,60,69,357.00	10,65,27,900.00
Interest Expenses	(51,063.00)	(40,16,834.00)
Depreciation Expenses	(37,23,148.00)	(33,92,000.00)
Other Expenses	(5,57,19,236.00)	(58,429,950.00)
Profit Before Tax	4,65,75,910.00	4,06,89,116.00
Tax Expenses	(1,32,75,898.00)	(1,46,62,275.00)
Profit for the year	3,33,00,012.00	2,60,26,842.00

3. Dividend:

Your Board has decided not to declare any dividend since your company has opened many Branches in Tamil Nadu and Kerala namely:

TAMILNADU STATE	KERALA
Madurai- Jaihindpuram	Edapally Changampuzha Park
Coimbatore -Kuniyamuthur	Edapally By Pass Road
Annur	Parassala
Coimbatore-Vadavalli	Kattakada
Coimbatore -Ganapathy	Pukkattupady
Madurai Kamaraja Salai	Kalady
Coimbatore-Sundarapuram	Permbavoor
Palani	Muvatupuzha
Nagercoil	Aluva
Arumanai	Neyyattinkara
Kulashekaram	Kallara
Thiruvithancode	Ramanatukara
	Feroke
	Uchakada
	Vellarada

The Company has mapped out reaching a target of 75 branches in the financial year 2018-19. Of which the Company has 50 functional branches as of 31/07/2018. Thus the company is trying to preserve its reserves in order to expand the business.

4. Share Capital:

The Authorized capital stands at Rs. 50,00,00,000 (Rupees Fifty Crore only). The Issued, Subscribed and Paid-up Capital stands at Rs 41,50,00,000 (Rupees Forty One Crore and Fifty Lacs).

The Board in their meeting held on 29th June 2018 has approved issue of non-convertible secured debentures subject to the approval members by the way of special resolution which is included in AGM notice for consideration of members.

5. Transfer to General Reserve:

The Company has not transferred any amount to the General Reserve for the financial year ended March 31, 2018.

6. Transfer to Investor Education and Protection Fund:

During the FY 2017-18 no amount has become due for transfer to IEPF and hence no amount was transferred to IEPF account.

7. Deposits:

Pursuant to Para 9(2) of the NBFC Public Deposits (RBI) Directions 1998, the Board confirms that the Company has not accepted Public Deposits during the financial year 2017-18 and as such, there is no amount of principal or interest outstanding, as on the balance sheet closure date.

8. Compliance with NBFC Regulations:

The Company has complied with all the regulatory provisions of the Reserve Bank of India applicable to Non-Banking Financial Companies as on March 31, 2018.

9. Material Changes and Commitments Affecting the Financial Position between the end of Financial Year and Date of Report after the Balance Sheet Date:

The name of the Company was changed from Agro Indus Finance and Leasing India Limited to Agro Indus Credits Limited.

No material changes have taken place in the financial year. Nevertheless, in order to expand the footfalls in the branches and also to increase the quantum of other income during the year under review the Company has entered into agreements with Western Union Money Transfer, Weizman Forex, Transfast and UAE Exchange for distribution of products such as Ria Money, Jaldi Cash and Express Money.

10. Directors and Key Managerial Personnel Inductions, Re-appointments, Retirements & Resignations:

There is no change in the Directorship of the Company. However, Ms Lakshmi P has resigned from the post of Chief Financial Officer w.e.f 30/04/2018 and Mr Maheshkumar M has been inducted as the CFO who joined from 02/05/2018.

11. Declaration by Independent Directors:

The Company has received declarations from all Independent Directors of the Company confirming that they meet with the criteria of independence, as prescribed under Section 149 of the Companies Act, 2013. The Independent Directors have also confirmed that they have complied with the Company's code of conduct. The independent Directors met during the year and held an Independent Directors Meeting.

12. Board of Directors, Number of Meetings of the Board and Board Committees:

The Board of Directors met five times during the previous financial year. As on March 31, 2018, the Board had two committees, namely, Audit Committee, Nomination and Remuneration Committee. The attendance details of the Board Meeting are tabled below:

Sl.No	Date of Board of Director Meeting	Mr.KK Vijayan	Mr.K Muraleedharan	Mr Pradeep Kumar PB	Mr. Prakash DV	Mr. Prasannan CR	Mr. S. Jayakumar	Mr.TC Ramesh	Mr. Atul Bhargava
1	15/04/2017	Present	Present	Present	Leave	Present	Present	Present	Present
2	15/07/2017	Present	Present	Leave	Present	Present	Leave	Leave	Present
3	02/09/2017	Present	Present	Leave	Leave	Present	Present	Present	Leave
4	21/11/2017	Present	Present	Present	Leave	Present	Present	Leave	Leave
5	02/02/2018	Present	Present	Leave	Present	Present	Leave	Present	Present
Total	5	5	5	2	2	5	3	3	3

Audit Committee:

The Audit Committee is constituted in line with the requirements of Section 177 of the Companies Act, 2013.

Audit Committee Meetings & Attendance

Date of Meeting	Mr. PB Pradeep Kumar	Mr.TC Ramesh	Mr. Atul Bhargava
15/07/2017	Present	Leave	Present

The Board has accepted the recommendations made by the Audit Committee, from time to time.

Nomination & Remuneration Committee:

The Nomination and Remuneration Committee is constituted in line with the requirements of Section 178 of the Companies Act, 2013.

Nomination and Remuneration Committee Meetings & Attendance

Date of Meeting	Mr. CR Prasannan	Mr.TC Ramesh	Mr. Atul Bhargava
15/07/2017	Present	Leave	Present

Independent Directors Meeting & Attendance:

The Independent Directors meet annually to review the performance of the Non – Independent Directors and the Chairperson.

Date of Meeting	Mr. TC Ramesh	Mr Atul Bhargava
15/04/2017	Present	Present

13. Auditors and Statutory Auditors Report:

As per the provisions of Section 139 of the Companies Act, 2013, certain specified companies shall not appoint an audit firm as auditors for more than two terms of five consecutive years. Hence M/s. Krishnamoorthy and Krishnamoorthy vacated the office and M/s. Rejith & Maju, Chartered Accountants were appointed. The current auditors, viz. Rejith & Maju, Chartered Accountants (Firm Reg.No. 007200S) were appointed by the members at the annual general meeting held on 02nd September 2017 to hold the office of auditor from the conclusion of the Twentieth Annual General Meeting till the conclusion of this Twenty Fifth Annual General Meeting.

The statutory audit report for the year 2017-18 does not contain any qualification, reservation or adverse remark or disclaimer made by statutory auditor.

14. Director's Responsibility Statement:

In pursuance of section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The directors had selected such accounting policies and applied 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 at the end of the financial year and of the profit and loss of the Company for that period;
- The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the



assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) The directors had prepared the annual accounts on a going concern basis;
- (e) The director, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (f) 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.

15. Risk Management:

The Company believes that minimized risks will maximize returns. The Risk Management policy of the Company suggests framing an appropriate response action for the key risks identified, so as to make sure that risks are adequately mitigated. The company has appointed Gold inspectors and Vigilance Officer to verify the various aspects of the branches like the quality of the Gold and to ensure that KYC norms as specified by RBI are strictly adhered to.

16. Extract of Annual Return

Extract of Annual Return in terms of provisions of Section 92, 134(3)(a) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014, the extracts of Annual Return of the Company in form MGT-9 is annexed herewith as Annexure -1 to this report.

17. Significant and Material Orders:

There are no significant and material orders passed by the regulators, courts or tribunals impacting the going concern status and Company's operations in future.

18. Particulars of Loans, Guarantees or Investments:

Particulars of loans, guarantees and investments form part of the financial statements provided in the Annual Report under the head Long Term Loans and Advances (Schedule-10) and Short Term Loans and Advances (Schedule 12).

19. Related Party Transactions:

All arrangements / transactions entered by the Company with its related parties are in ordinary course of business and on an arm's length basis. However, during the year, the Company had not entered into any arrangement / transaction with related parties which could be considered material in accordance with the Company's Policy on Related Party Transactions and accordingly, the disclosure of Related Party Transactions in Form AOC 2 is in Annexure -2.

20. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:

Your Company is engaged in the financial service sector which give minimum scope for conservation of energy/technology absorption etc. However, your company ensures the usage of equipment's which leave minimum carbon footsteps.

In respect of technology, your company has a centralized software system working through all its branches which creates a transparent and reliable working environment. Technology when optimized will in turn reduce the consumption or wastage of energy. During the year under review, the Company did not have any foreign exchange Earnings or outgo. The details of energy conservation, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013, read with the Rule 8 of Companies (Accounts of Companies) Rules, 2014 is annexed herewith as Annexure-3 to this report considering the nature of activities undertaken by the company during the year under review.

21. Managerial remuneration to Directors:

Disclosures relating to remuneration of Directors u/s 197(12) read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable as no remuneration is paid to the Directors except sitting fees for attending the meetings of the Board.

**22. Prevention of Sexual Harassment Of Women At Workplace:**

Pursuant to the legislation 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013', the Company has formed a Committee for redressal of grievances of employees. A Policy on Prevention of Sexual Harassment at Workplace has also been adopted. There were no cases reported during the year under review under the said Policy.

23. Subsidiaries, Joint Ventures and Associate Companies:

The Company does not have any Subsidiary, Joint venture or Associate Company.

24. Details of establishment of vigil mechanism for directors and employees:

The Company is not required to establish a vigil mechanism for directors and employees. However, the Company provides a free and conducive environment to its employees and is open to address their issues/grievances (if any).

25. Internal Financial Control:

The Company has documented its internal financial controls considering the essential components of various critical processes, physical and operational. This includes its design, implementation and maintenance, along with periodical internal review of operational effectiveness and sustenance, which are commensurate with the nature of its business and the size and complexity of its operations. This ensures orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of its assets, prevention of errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial information. The internal financial controls with reference to the financial statements were adequate and operating effectively.

26. Future Business Development Programs:

The Directors are continuously working on to bring new branches in the states of Tamil Nadu & Kerala. Many branches in Kerala which were concentrating mainly on vehicle loan have also started Gold Loan.

27. Change in Nature of business:

The Board of Directors in their meeting held on 29th June 2018 had approved change in the objects clause subject to the approval of the shareholders by the way of special resolution, which is placed in the AGM Notice for your consideration and approval.

28. Disqualification of Directors:

Pursuant to Section 164 of the Companies Act, 2013 none of your Directors are disqualified.

29. Annual Evaluation of Directors, Committees and the Board:

The evaluation of the Directors and the board was conducted as a whole. The outcome of the Board evaluation for the fiscal 2018 was discussed by the Nomination and Remuneration committee in their meeting on 15/07/2017 and the Board during their meeting held on 15th February 2018.

30. Acknowledgement:

Your company's management has immense pleasure in expressing our sincere thanks and gratitude to our shareholders for the continued support and patronage. We express our gratitude to the Reserve Bank of India, Government of India, State Government of Kerala and Tamilnadu, Registrar of Companies, Kerala, various Government and regulatory authorities for their guidance and support. Your Directors also place on record sincere thanks and gratitude to our bankers and customers for their support and guidance. Directors also wish to thank M/s. Rejith and Maju, Statutory Auditors, M/s Krishnamoorthy and Krishnamoorthy Chartered Accountants, Ernakulam, Internal Auditors, M/s JGS & Associates, Chartered Accountants, Thrissur, P Dhanya & Associates, Practicing Company Secretaries, Ernakulam, Akshayam Corporate Advisors Private Limited, Chennai, CARE & Crisil- Credit rating agency, all the Credit Information Companies, members of staff and other constituents for their continued support, active encouragement and co-operation.

For and on behalf of the Board of Directors

**ANNEXURE-1
FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	U65910KL1997PLC011088
ii	Registration Date	07/01/1997
iii	Name of the Company	Agro Indus Credits Limited (Formerly Agro Indus Finance And Leasing India Limited)
iv	Category/Sub-category of the Company	NBFC /Public Company
v	Address of the Registered office & contact details	34/1873,Muzhuvanchery,Building Mamangalam, Palarivattom Post, Cochin, Kerala, 682025
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company:

Sl. No	Name and Description of the main products/Services	NIC Code of the Product/ service	% to total turnover of the company
1.	To undertake all kinds of Financing operations including loan against movable and immovable properties of all kinds.	K64649	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No	Name and Address of Company	CIN/GLN	Holding/S ubsidiary	% of shares held	Applicable Section
1.	NIL	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	3,20,53,300	3,20,53,300	77.24		3,21,00,800	3,21,00,800	77.35	0.11
b) Central/State	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	-	3,20,53,300	3,20,53,300	77.24		3,21,00,800	3,21,00,800	77.35	0.11
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Bodies Corp.	-	-	-	-	-	-	-	-	-
c) Banks / FI e) Any Other....	-	-	-	-	-	-	-	-	-
Sub -total (A) (2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	-	3,20,53,300	3,20,53,300	77.24		3,21,00,800	3,21,00,800	77.35	0.11
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital	-	-	-	-	-	-	-	-	-
f) Insurance Co	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) FVCF	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian		1,00,000	1,00,000	0.24		1,00,000	1,00,000	0.24	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals		93,46,700	93,46,700	22.52		92,99,200	92,99,200	22.41	-0.11
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	-	94,46,700	94,46,700	22.76		93,99,200	93,99,200	22.65	-0.11
Total Public Shareholding (B)=(B)(1)+ (B)(2)		94,46,700	94,46,700	22.76		93,99,200	93,99,200	22.65	-0.11
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	4,15,00,000	4,15,00,000	100	-	4,15,00,000	4,15,00,000	100	NIL

(ii) Shareholding of Promoters:

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in Shareholding during the year
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	Dr.KR Rajappan	3,23,100	0.81	3,23,100	0.81	NIL
2	Mr. PK Ramachandran	40,000	0.096	5,000	0.012	-0.084
3	Mrs. TP Sasikala	51,400	0.124	51,400	0.124	NIL
4	Mr. PN Job	35,300	0.085	35,300	0.085	NIL
5	Mr.MS Hariharan	37,500	0.09	37,500	0.09	NIL
6	Mr.KK Kumaran	25,700	0.062	25,700	0.062	NIL
7	Mr.EV Krishnan	700	0.002	700	0.002	NIL
8	Mrs.PR Suguna	20,000	0.048	20,000	0.048	NIL
9	Mr.ME Vasu	7,100	0.017	7,100	0.017	NIL
10	Mr KC Sudhakaran	10,000	0.024	10,000	0.024	NIL
11	Mrs. Beena Muraleedharan	3,15,02,500	75.91	3,15,50,000	76.02	0.11
TOTAL		227700	77.268	192700	77.294	

(iii) Change in Promoters' Shareholding:

Sl.No	Name	Shareholding at the beginning of the year		Cumulative shareholding		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1	Mrs. Beena Muraleedharan	31502500	75.91	47,500	3.61	3,15,50,000	76.02
2	Mr.PK Ramachandran	40,000	0.096	35,000	0.084	5000	0.012

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

Sl. No.	For Each of the top 10 Shareholders	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company				No. of shares	% of total shares of the company
1	Mrs. CK Nalini	1894700	4.57	Nil	Nil	Nil	1894700	4.57
2	Ms. Nirmala Rajan	15,39,350	3.71	Nil	Nil	Nil	15,39,350	3.71
3	Southern Funcity Pvt Ltd	80,000	0.19	Nil	Nil	Nil	80,000	0.19
4	Mr.PR Sudhakaran	70,000	0.17	Nil	Nil	Nil	70,000	0.17
5	Mr.Bharathan AC	50,000	0.12	Nil	Nil	Nil	50,000	0.12
6	Mr. KD Venugopal	50,000	0.12	Nil	Nil	Nil	50,000	0.12
7	Mr.PS Devadas	31,000	0.07	Nil	Nil	Nil	31,000	0.07
8	Dr.R Vijayan	25,000	0.06	Nil	Nil	Nil	25,000	0.06
9	KR Reena	22,000	0.05	Nil	Nil	Nil	22,000	0.05
10	Muralya Properties Pvt Ltd.	20,000	0.05	Nil	Nil	Nil	20,000	0.05

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. K K Vijayan	4000	0.1	4000	0.1
2	Mr K Muraleedharan	Nil	-	Nil	-
3	Mr CR Prasannan	Nil	-	Nil	-
4	Mr PB Pradeepkumar	1045900	2.52	1045900	2.52
5	Mr Prakash Damodaran	1363500	3.29	1363500	3.29
6	Mr S Jayakumar	2606200	6.28	2606200	6.28
7	Mr TC Ramesh	394600	0.95	394600	0.95
8	Mr Atul Bhargava	Nil	-	Nil	-
9	Mr. C P Sasidharan	Nil	-	Nil	-
10	Ms. P Lakshmi	Nil	-	Nil	-
11	Ms. Kavitha Shah	Nil	-	Nil	-

(vi) Indebtedness:

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,43,63,757			1,43,63,757
ii) Interest due but not paid				
iii) Interest accrued but not due		NIL	NIL	
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
· Addition				
· Reduction	-14363757			-14363757
Net Change	0			0
Indebtedness at the end of the financial year				
i) Principal Amount	-			-
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
Total (i+ii+iii)	0			0

(vii) Remuneration of Directors and Key Managerial Personnel
A. Remuneration to Managing Director, Whole Time Directors and/or Manger

S.No	Particulars of Remuneration	Name of Managing Director/Whole Time Director/Manger	Total
1	Gross Salary	-	
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961		
	(c) Profit in lieu of salary under section 17(3) Income tax Act, 1961	-	
2	Stock Option	-	
3	Sweat Equity	-	
4	Commission	-	
	- As % of profit	-	
	- Others		
5	Others	-	
	Total (A)	-	
	Ceiling as per Act		

B. Remuneration to other Directors:

S.N	Particulars of Remuneration	Name of Directors						Total Amount
1	Independent Directors	Mr TC Ramesh			Mr Atul Bhargava			
	Fee for attending Board Committee meetings	20,000			20,000			
	Commission	Nil			Nil			
	Others – Travelling Expense	55,000			73,835			
	Total (1)	80,000			1,40,000			2,20,000
2	Other Non-Executive Directors	Mr. KK Vijayan	Mr K Muraleedharan	Mr Pradeepkumar PB	Mr Prasannan CR	Mr S Jayakumar	Mr Prakash Damodaran V	-
	Fee for attending Board Committee Meetings	25,000	25,000	10,000	25,000	15,000	10,000	
	. Commission	Nil	Nil	Nil	Nil	Nil	Nil	
	. Others (Travelling)	95,000	95,000	20,000	95,000	55,000	20,000	
	Total (2)	1,20,000	1,20,000	30,000	1,20,000	70,000	30,000	4,90,000
	Total (B)=(1+2)							
	Total Managerial Remuneration							7,10,000
	Ceiling as per Act	1,20,00,000						

C. Remuneration to key managerial personnel other than MD/Manager/WTd

Sl. No	Particulars of Remuneration	Key Managerial Personnel			Total Amount
1	Gross Salary	CEO	CFO	CS	
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	7,12,258	6,02,773	6,62,414	19,77,445
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-			
	(c) Profit in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission				
	- As % of profit	-	-	-	-
	- Others				
5	Others (Consultant Fee)				
	Total (A)	7,12,258	6,02,773	6,62,414	19,77,445

(viii) Penalties / Punishment/ Compounding of Offences:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made, if any
a. Company	-	-	-	-	-
Penalty					
Punishment					
Compounding					
b. Directors	-	-	-	-	-
Penalty					
Punishment					
Compounding					
c. Other Officers In Default	-	-	-	-	-
Penalty					
Punishment					
Compounding					

**ANNEXURE-2
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 transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: N.A

- (a) Name(s) of the related party and nature of relationship: -
- (b) Nature of contracts/arrangements/transactions: -
- (c) Duration of the contracts / arrangements/transactions: -
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: -
- (e) Justification for entering into such contracts or arrangements or transactions -
- (f) Date(s) of approval by the Board: -
- (g) Amount paid as advances, if any: -
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: -

2. Details of material contracts or arrangement or transactions at arm's length basis:

Sl.No	Name(s) of the related party	Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms Of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1	Prakash Damodaran	Director	Mortgage Loan	36 Months	64,50,000	30-05-2016	-
2	Prakash Damodaran	Director	Mortgage Loan	36 Months	20,00,000	02-09-2017	-

**ANNEXURE -3****Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo:**

A. Conservation of energy			
Sl.No	PARTICULARS		
(i)	the steps taken or impact on conservation of energy;	Nil	
(ii)	the steps taken by the company for utilising alternate sources of energy;	Nil	
(iii)	the capital investment on energy conservation equipment;	Nil	
B. Technology absorption			
(i)	the efforts made towards technology absorption;	Nil	
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	NA	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -	(a) the details of technology imported;	Nil
		(b) the year of import;	Nil
		(c) whether the technology been fully absorbed;	Nil
		(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Nil
(iv)	the expenditure incurred on Research and Development.	Nil	
C. Foreign exchange earnings and Outgo			
(i)	The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Nil	



INDEPENDENT AUDITORS' REPORT

To,

The Members of
Agro Indus Credits Limited
(Formerly Agro Indus Finance and Leasing India Limited)
34/1873, Mazhuvanchery Building, Palarivattom
Ernakulam District, Pin. 682 308

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Agro Indus Credits Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's directors, as well as evaluating the overall presentation of the financial statements.



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the State of Affairs of the company as at 31st March, 2018 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **"Annexure A"** a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet and the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in **"Annexure B"** and
 - g) With respect to the other matters to be included in the Auditors Report in accordance with Rule 11 of the Company's (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The company does not have any pending litigations which would impact its financial positions.
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

Place: Cochin -18
Date: 29.06.2018

For Rejith & Maju
Chartered Accountants
(Firm Reg.No 007200S)

CA Maju. K. Ismail FCA
(Partner) (M.No.205939)



**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT
(REFERRED TO IN PARAGRAPH 1 UNDER 'REPORT ON OTHER LEGAL AND REGULATORY
REQUIREMENTS' SECTION OF OUR REPORT ATTACHED)**

- i. In respect of the Company's fixed assets:
 - a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets;
 - b. We are informed that these fixed assets have been physically verified by the management at reasonable intervals in a phased manner, which in our opinion, is reasonable having regard to the size of the company and nature of its assets and no material discrepancies have been noticed on such verification.
 - c. Company does not own any immovable property hence disclosure under this case is not applicable to the company.
- ii. The nature of the Company's activities during the year has been such that clauses (ii) of the paragraph 3 of the Companies (Auditors Report) Order, 2016 are not applicable to the Company.
- iii. The Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 except for the mortgage loan sanctioned in the ordinary course of business in the respect of which we report that:
 - a. The terms and conditions of the loan are not prejudicial to the companies' interest.
 - b. The schedule of the repayment of principal and the payment of the interest has been stipulated and repayments/ receipts are regular.
 - c. There is no overdue amount remaining outstanding as at the Balance Sheet date.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect to the loans and investments made and guarantees and securities provided by it, as applicable.
- v. The Company has not accepted any deposits from the public during the year and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As per the information and explanations given to us, the Central Government has not specified maintenance of Cost Records under sub-section (1) of Section 148 of the Companies Act 2013, in respect of the activities carried on by the company.
- vii. (a) According to the information and explanations given to us and according to the books and records of the Company produced to us and examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues with the appropriate authorities during the year and



there were no arrears of outstanding as at 31st March 2018 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, sales tax, service tax and cess which are outstanding as at 31st March 2018.

- viii. Based on our audit procedures performed for the purpose of reporting the true and fair view, of the financial statements and according to the information and explanations given to us and based on the records of the company examined by us, the company has not defaulted in repayment of the dues to the financial institutions or bank or to debenture holders.
- ix. According to the information and explanations given to us and based on the records of the company examined by us, the Company has not taken any term loans, or raised moneys by way of initial offer and any other further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us and based on the records of the company examined by us, no material fraud either on or by the Company or by its officers or employees has been noticed or reported during the year, nor have we been informed for any such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of the section 197 read with Schedule V of the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
- xvi. The Company has obtained registration under section 45-IA of the Reserve Bank of India Act 1934.

Place: Cochin –18
Date: 29.06.2018

For Rejith & Maju
Chartered Accountants
(Firm Reg.No 007200S)

CA Maju. K. Ismail FCA
(Partner) (M.No.205939)



ANNEXURE - B TO THE AUDITORS' REPORT
REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3
OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

We have audited the internal financial controls over financial reporting of **Agro Indus Credits Limited** ("the Company") as of 31st March 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, 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.

Place: Cochin –18

Date: 29.06.2018

For Rejith & Maju

Chartered Accountants

(Firm Reg.No 007200S)

CA Maju. K. Ismail FCA

(Partner) (M.No.205939)

**REPORT TO THE BOARD OF DIRECTORS OF AGRO INDUS CREDITS LIMITED (FORMERLY
AGRO INDUS FINANCE AND LEASING INDIA LIMITED) ON THE ACCOUNTS FOR THE YEAR
ENDED 31ST MARCH, 2018**

1. We audited the attached Balance Sheet of Agro Indus Credits Limited (the company) as at 31st March 2018, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date annexed thereto and issued our audit opinion dated 29/06/2018 thereon.
2. As required by the Non – Banking Financials Companies Auditors Report (Reserve Bank) Directions ,2008, based on our audit referred to in paragraph 1 above and based on the information and explanations given to us which to the best of our knowledge and belief were necessary for the purpose, we report below on the matters specified therein:
 - i. The Company is engaged in the business on Non-banking financial institution and it has obtained a Certificate of Registration (COR) from the Reserve Bank of India
 - ii. Based on pattern of assets and income of the Company as on 31st March, 2018, we report that the Company is entitled to continue to hold the Certificate of Registration (COR).
 - iii. According to the information and explanations given to us and based on the review of the business carried out by the Company. We report that the Company has not been classified as an Asset Finance Company as defined in Non- Banking Financial Companies Acceptance of Public Deposit (Reserve Bank) Directions ,1998.
 - iv. According to the information and explanations given to us and based on the review of records, we report that the Board of Directors have passed a resolution for non-acceptance of any public deposit.
 - v. According to the information and explanations given to us and based on the review of records, we report that the Company has not accepted any public deposit during the relevant year.
 - vi. According to the information and explanations given to us and based on the review of records, we report that the Company has complied with prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non- Banking Financial (Non- deposit accepting and holding) Companies Prudential Norms (Reserve bank) Directions, 2007.

Place: Cochin –18
Date: 29.06.2018

For Rejith & Maju
Chartered Accountants
(Firm Reg.No 007200S)

CA Maju. K. Ismail FCA
(Partner) (M.No.205939)

AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
BALANCE SHEET AS AT 31ST MARCH 2018

Particulars	Sch No	As at 31.03.2018	As at 31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	02	4150,00,000.00	4150,00,000.00
(b) Reserves and Surplus	03	1195,71,714.00	862,71,702.00
(c) Money received against share warrants		-	-
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions	04	48,98,644.00	36,69,878.00
(4) Current Liabilities			
(a) Short-term borrowings	05	-	143,63,757.00
(b) Trade payables			
(c) Other current liabilities	06	57,05,722.00	27,34,912.00
(d) Short-term provisions	07	73,94,990.00	106,13,053.00
TOTAL		5525,71,070.00	5326,53,302.00
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	08(a)	161,30,191.00	76,97,034.00
(ii) Intangible Assets	08(b)	15,60,097.00	1,67,334.00
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments			
(c) Deferred tax assets (net)	09	51,53,675.00	57,90,791.00
(d) Long term loans and advances	10	1290,90,070.00	2107,95,625.00
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	11	282,54,345.00	525,25,172.00
(e) Short-term loans and advances	12	3723,82,692.00	2556,77,346.00
(f) Other current assets			
TOTAL		5525,71,070.00	5326,53,302.00

The schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached.

For Rejith & Maju

Chartered Accountants

(Firm Reg. No.007200S)

S/d

CA Maju.K.Ismail FCA

(Partner) (M No:205939)

Place: Cochin

Date : 29/06/2018

S/d

(K.K.Vijayan)

Director

S/d

(Maheshkumar M)

Chief Financial Officer

For and on behalf of the Board

S/d

(CR Prassanan)

Director

S/d

(Kavitha Shah)

Company Secretary

AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018

		(Amount in Rupees)	
Particulars	Sch No	As at 31.03.2018	As at 31.03.2017
I. Revenue from operations	13	1046,68,433.00	1062,38,155.00
II. Other Income	14	14,00,924.00	2,89,745.00
III. Total Revenue (I + II)		1060,69,357.00	1065,27,900.00
<u>IV. Expenses:</u>			
Employee benefit expense	15	255,27,065.00	240,68,272.00
Financial costs	16	51,063.00	40,16,834.00
Depreciation and amortization expense	17	37,23,148.00	33,92,000.00
Other expenses	18	256,30,256.00	232,89,619.00
Provisions and Write Offs	19	45,61,915.00	110,72,059.00
Total Expenses		594,93,447.00	658,38,784.00
V. Profit before exceptional and extraordinary items and tax	(III - IV)	465,75,910.00	406,89,116.00
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		465,75,910.00	406,89,116.00
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		465,75,910.00	406,89,116.00
X. Tax expenses:			
(1) Current tax		126,38,782.00	146,12,715.00
(2) Tax relating to Previous years		-	2,44,450.00
(3) Deferred tax		6,37,116.00	(1,94,890.00)
XI. Profit(Loss) from the period of continuing operations	(IX-X)	333,00,012.00	260,26,841.00
XII. Profit/(Loss) from discontinuing operations		-	-
XIII. Tax expense of discounting operations		-	-
XIV. Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		333,00,012.00	260,26,841.00
XVI. Earning per equity share:			
(1) Basic		0.80	0.63
(2) Diluted		0.80	0.63

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date attached.

For Rejith & Maju
Chartered Accountants
(Firm Reg. No.007200S)

For and on behalf of the Board

S/d

S/d

S/d

(K.K.Vijayan)
Director

(CR Prassanan)
Director

S/d

S/d

CA Maju.K.Ismail FCA
(Partner) (M No:205939)

(Maheshkumar M)
Chief Financial Officer

(Kavitha Shah)
Company Secretary

Place: Cochin
Date: 29/06/2018

AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2018

Particulars	(Amount in Rupees)	
	Year Ended 31.03.2018	Year Ended 31.03.2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	465,75,910.00	406,89,116.00
Adjustments for		
Depreciation	37,23,148.00	33,91,999.00
Interest paid	51,063.00	40,16,834.00
Miscellaneous Income	(2,35,517.00)	(2,89,745.00)
Interest on Bank deposits	(11,65,407.00)	-
Provisions (Net)	(19,09,155.00)	36,76,123.00
Dividend Income	-	-
Profit/Loss on Sale of Fixed Asset	(1,20,968.00)	29,959.00
Loss on sale of Asset	5,73,515.00	-
Asset scrapped	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>474,92,589.00</u>	<u>515,14,286.00</u>
Income Taxes Paid	126,38,782.00	163,09,695.00
NET CASH FLOW FROM OPERATING ACTIVITIES	<u>348,53,807.00</u>	<u>352,04,591.00</u>
Adjustments for:		
(Increase)/Decrease in Trade & Other receivables	(349,99,792.00)	(250,06,038.00)
Increase / (Decrease) in Trade Payable	29,70,810.00	(42,657.00)
Increase /(Decrease) in Long term provisions	(46,980.00)	8,554.00
Increase /(Decrease) in Short Term provision	(33,159.00)	(1,99,478.00)
(Increase)/Decrease in Investments	-	1,000.00
CASH GENERATED FROM OPERATIONS	27,44,686.00	599,78,048.00
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	-	-
Purchase of Fixed Assets	143,40,753.00	(19,25,242.00)
Sale of Fixed Assets / Adjustment	3,39,138.00	89,000.00
Interest received	11,65,407.00	-
Miscellaneous Income	2,35,517.00	2,89,745.00
Dividend received	-	-
NET CASH USED IN INVESTING ACTIVITIES	(126,00,691.00)	(15,46,497.00)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	150,00,000.00
Proceeds from issue of Compulsory Convertible Debentures	-	-
Proceeds from Short Term Borrowings	(143,63,757.00)	(241,36,311.00)
Interest paid	(51,063.00)	(40,16,834.00)
NET CASH USED/GENERATED FROM FINANCING ACTIVITIES	(144,14,820.00)	(131,53,145.00)
NET (DECREASE) /INCREASE IN CASH & CASH EQUIVALENTS	(242,70,827.00)	452,78,407.00
Cash & Cash equivalents at the beginning of the year	525,25,172.00	72,46,765.00
Cash & Cash equivalents at the end of the year	282,54,345.00	525,25,172.00

As per our Report of even date attached
For Rejith & Maju
Chartered Accountants
(Firm Reg. No.007200S)

For Agro Indus Credits Limited

S/d

CA Maju.K.Ismail FCA
(Partner) (M No:205939)

Place: Cochin
Date: 29/06/2018

S/d
(K.K.Vijayan)
Director

S/d
(Maheshkumar M)
Chief Financial Officer

S/d
(CR Prassanan)
Director

S/d
(Kavitha Shah)
Company Secretary

AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

1.	SIGNIFICANT ACCOUNTING POLICIES	
1.1	Basis of preparation of Financial Statements	
	The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the mandatory Accounting Standards under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and guidelines issued by the Reserve Bank of India as applicable to a Non-Banking Finance Company. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.	
1.2	Use of Estimates	
	The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognised prospectively in the current and future years.	
1.3	Revenue Recognition	
	i.	Interest income is accounted on accrual basis subject to the prudential norms for income recognition prescribed by the Reserve Bank of India.
	ii.	Interest accrued on investments in Government Securities are accounted for on accrual basis and that of other investments are accounted on cash basis.
1.4	Prudential Norms	
	The Company has followed prudential norms for income recognition, Asset classification and provisioning for loans and advances, as prescribed by the Reserve Bank of India for Non-Banking Financial Companies to the extent those are applicable to the companies not accepting public deposits.	
1.5	Property Plant and Equipments	
	Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment, if any. Cost includes all direct expenses incurred to bring an asset to working condition for its intended use.	
1.6	Depreciation	
	Depreciation on Fixed assets has been calculated under Written Down Value Method over the Useful life of assets as prescribed under Part "C" of Schedule II Companies Act, 2013.	
1.7	Intangible Assets	
	Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.	
1.8	Investments	
	Non-Current investments are carried at cost less provision for permanent diminution, if any in value of such investments. Current Investments are carried out lower of cost or fair value.	
1.9	Earnings per Share	
	i.	Basic earnings per share are 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.
	ii.	For computing the Diluted EPS, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.
1.10	Income Tax	
	Tax expense comprises of current tax and deferred tax. Provision for current tax is based on the assessable profit as computed by the company in accordance with the Income Tax Act, 1961. Deferred Tax Assets and Liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years and are accounted using the tax rates and the tax laws enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward if there is virtual certainty that they will be realized.	
1.11	Employee Benefits	
	i)	Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
	ii)	Defined Contribution Plans -Contributions made to the Recognised Provident Fund, Pension Fund & Employee State Insurance Corporation on behalf of its employees in accordance with the relevant statutes are charged to the Statement of Profit and Loss as and when due. The Company's obligation is limited to the amount to be contributed by it.
	iii)	Defined Benefit Plans - The net present value of the obligation for gratuity benefits as determined on independent actuarial valuation, conducted annually using the projected unit credit method, as adjusted for unrecognized past services cost, if any, is recognised in the books of account. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.
1.12	Provisions, Contingent Liabilities and Contingent Assets	
	Contingent Liabilities are possible but not probable obligations as on the balance sheet date, based on available evidence. A provision is recognised when the company has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions except those disclosed elsewhere in the notes to the financial statements, are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.	

AGRO INDUS CREDITS LIMITED

(Formerly Agro Indus Finance and Leasing India Limited)
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

2. SHARE CAPITAL				
Particulars	As at 31st March 2018		As at 31st March 2017	
	Number	Amount	Number	Amount
<u>Authorised</u>				
Equity Shares of Rs.10 each	<u>500,00,000</u>	<u>5000,00,000</u>	<u>500,00,000</u>	<u>5000,00,000</u>
<u>Issued</u>				
Equity Shares of Rs.10 each	<u>415,00,000</u>	<u>4150,00,000</u>	<u>415,00,000</u>	<u>150,00,000</u>
<u>Subscribed & Paid up</u>				
Equity Shares of Rs.10 each fully paid	415,00,000	4150,00,000	415,00,000	4150,00,000
Total	<u>415,00,000</u>	<u>4150,00,000</u>	<u>415,00,000</u>	<u>4150,00,000</u>

2.1. The Company has only one class of shares referred to as equity shares with a face value of Rs.10 per share. Each holder is entitled to one vote per share.

2.2. Fully paid up equity shares issued pursuant to contract(s) without payment being received in cash in the last five years : Nil

2.3. Fully paid up equity shares by way of bonus shares in the last five years : Nil

2.4. Shares bought back in the last five years : Nil

2.5. The reconciliation of the number of shares outstanding is set out below :

Particulars	Current Year (2017-2018)		Previous Year (2016-2017)	
	Number	Amount	Number	Amount
Shares outstanding as on 01/04/2017	415,00,000.00	4150,00,000.00	415,00,000.00	4150,00,000.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding as on 31/03/2018	15,00,000.00	150,00,000.00	15,00,000.00	4150,00,000.00

2.6. The details of Shareholders holding more than 5% shares :

Name of Shareholder	As at 31st March 2018		As at 31st March 2017	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Mr. Sreedharan Jayakumar	26,06,200.00	6.28%	26,06,200.00	6.28%
Mrs. Beena Muraleedharan	315,50,000.00	76.02%	315,02,500.00	75.91%

2.7. Unpaid Calls			Rs.	Rs.
By Directors			0	0
By Officers			0	0

Schedules forming part of the Balance Sheet as at 31st March 2018

Particulars	Annex No	As at 31.03.2018	As at 31.03.2017
Schedule - 03			
Reserves and Surplus			
A. Capital Redemption Reserve			
Opening Balance		1,40,000.00	1,40,000.00
Sub Total (A)		1,40,000.00	1,40,000.00
B. Other Reserves			
Statutory Reserve : Opening Balance		180,98,514.00	128,93,146.00
Add: Amount transferred from surplus in the statement of P&L		66,60,002.00	52,05,368.00
Sub Total (B)		247,58,516.00	180,98,514.00
C. Surplus			
Opening balance		680,33,188.00	472,11,715.00
(-) Adjustment for Intangible Assest (Life Expired)		-	-
(+) Net Profit/(Net Loss) for the current year		333,00,012.00	260,26,841.00
(-) Transfer to Statutory Reserves		(66,60,002.00)	(52,05,368.00)
Sub Total (C)		946,73,198.00	680,33,188.00
Total (A+B+C)		1195,71,714.00	862,71,702.00
Schedule - 04			
Long-term Provisions			
A. Provision for Advance:			
Provision for Standard Assets		3,05,976.00	3,97,960.00
Provision for dimunition in value of security		42,78,207.00	29,10,477.00
Sub Total (A)		45,84,183.00	33,08,437.00
B. Provision for Employee Benefits:			
Provision for leave encashment		3,14,461.00	3,61,441.00
Sub Total (B)		3,14,461.00	3,61,441.00
Total (A+B)		48,98,644.00	36,69,878.00
Schedule - 05			
Short-term borrowings			
Overdraft Account with:-			
City Union Bank Ltd, Edappally Br. Overdraft {A/c No. 123120000196923}		-	-
(Secured by Gold Loan Receivable, with 40% margin with interest rate 13.25%)			
Dhanalakshmi Bank Ltd, Palarivattom Br. Overdraft {A/c No. 003813700000133}		-	143,63,757.00
(Pari-passu charge with City Union Bank Ltd. on book debts, actionable ...claim,receivables with 25% margin with interest rate 12.25%)			
Total		-	143,63,757.00
Schedule - 06			
Other Current Liabilities			
(a) Interest accrued and due on borrowings (5th year)		9,286.00	9,286.00
(b) Others payables :			
- Statutory		7,91,971.00	4,45,932.00
-Creditors		40,71,943.00	6,50,551.00
-Other Liabilities		8,32,522.00	16,29,143.00
Total		57,05,722.00	27,34,912.00
Schedule - 07			
Short-term provisions			
Provision for Standard Assets		7,55,446.00	5,58,139.24
Provision for Non- Performing Assets		65,64,325.00	99,46,535.30
Provision for Income Tax		-	-
Provision for Leave Encashment		75,219.00	1,08,378.00
Total		73,94,990.00	106,13,053.00



AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
Schedules forming part of Balance Sheet as at March 31st, 2018

Schedule 8

	Particulars	Gross Block				Depreciation			Net Block		
		Balance as on April 1st, 2017	Additions during the year	Deletions during the year	Balance as on March 31, 2018	Accumulated balance as on April 1st, 2017	Depreciation for the year	Depreciation on deletion	Accumulated balance as on March 31, 2018	Balance as on March 31, 2018	Balance as on March 31, 2017
A)	TANGIBLE ASSETS										
	Furniture and Fixtures	208,06,401.00	79,17,485.00	24,48,500.00	262,75,386.00	155,75,987.00	17,90,031.00	19,07,026.00	154,58,992.00	108,16,394.00	52,30,414.00
	Electrical Fittings	19,52,782.00	12,88,858.00	2,07,005.00	30,34,635.00	13,30,172.00	2,39,492.00	1,53,501.00	14,16,163.00	16,18,472.00	6,22,610.00
	Office Equipments	58,48,990.00	12,69,333.00	18,24,629.00	52,93,694.00	43,97,083.00	7,92,965.00	17,14,192.00	34,75,856.00	18,17,838.00	14,51,907.00
	Vehicles Computer & Accessories	7,52,417.00 29,96,216.00	8,56,647.00 11,23,910.00	7,52,417.00 2,40,958.00	8,56,647.00 38,79,168.00	6,72,441.00 26,84,089.00	1,31,752.00 2,86,092.00	6,88,385.00 2,27,661.00	1,15,808.00 27,42,520.00	7,40,839.00 11,36,648.00	79,976.00 3,12,127.00
	Sub Total(A)	323,56,806.00	124,56,233.00	54,73,509.00	393,39,530.00	246,59,772.00	32,40,332.00	46,90,765.00	232,09,339.00	161,30,191.00	76,97,034.00
B)	INTANGIBLE ASSETS										
	Computer Software	5,69,170.00	18,84,520.00	1,85,512.00	22,68,178.00	4,01,836.00	4,82,816.00	1,76,571.00	7,08,081.00	15,60,097.00	1,67,334.00
	Sub Total(B)	5,69,170.00	18,84,520.00	1,85,512.00	22,68,178.00	4,01,836.00	4,82,816.00	1,76,571.00	7,08,081.00	15,60,097.00	1,67,334.00
	TOTAL(A+B)	329,25,976.00	143,40,753.00	56,59,021.00	416,07,708.00	250,61,608.00	37,23,148.00	48,67,336.00	239,17,420.00	176,90,288.00	78,64,368.00

Schedule - 09			
Deferred Tax Assets			
Deferred Tax Assets on account of :-			
a) Depreciation difference		32,37,847.00	31,15,922.00
b) Provision for Advances		19,15,828.00	26,74,869.00
Total		51,53,675.00	57,90,791.00
Schedule - 10			
Long term loans and advances			
a) Retail Loans - Vehicle Loans, SME and Mortgage Loans (Secured, Considered Good)		1223,90,236.00	2063,41,286.00
b) Security Deposits (Unsecured, Considered Good)		65,29,000.00	41,29,339.00
c) Capital Advances		1,70,834.00	3,25,000.00
Total		1290,90,070.00	2107,95,625.00
Schedule - 11			
Cash and cash equivalents			
Cash in Hand		31,54,667.63	15,57,316.00
Stock on hand -Stamps and Stamp papers		1,326.00	1,184.00
Cash with Banks: -			
City Union Bank, Edappally Br. Overdraft {A/c No. 123120000196923}		77,71,089.88	388,67,706.00
Dhanalaxmi Bank , Palarivattom Br. Overdraft {A/c No. 003813700000133}		2,87,014.86	-
Current A/c Balances with:			
City Union Bank		10,93,998.75	119,43,875.80
Dhanalaxmi Bank		-	6,934.72
State Bank of Travancore		1,02,205.50	23,687.50
Federal Bank		6,55,059.91	33,155.31
State Bank of India		21,354.61	11,241.29
Catholic Syrian Bank		95,919.00	2,613.00
Karur Vyasa Bank		-	-
Canara Bank		1,17,405.00	77,458.00
Fixed deposits with Federal Bank		149,54,304.00	-
Total		282,54,345.00	525,25,172.00
Schedule - 12			
Short Term Loans and Advances			
(A) Retail Loans			
(i) Secured, Considered good			
Gold Loan		2155,49,768.00	2338,99,737.00
VL, SME and Mortgage Loans		1513,26,681.00	109,65,455.00
(ii) Unsecured, Considered good			
Demand Loans		-	1,200.00
(iii) Unsecured, Considered Doubtful		1,89,014.00	85,85,223.00
Sub Total (A)		3670,65,463.00	2534,51,615.00
(B) Other deposits and advances:			
Fixed Deposit with Federal Bank		-	-
Interest on Fixed Deposit Receivable		-	-
Advance Tax/TDS (Net of Provision)- Current Year		22,07,336.00	-
Advance Tax/TDS (Net of Provision)- Previous years		13,01,766.00	13,01,766.00
Other Advances		18,08,127.00	9,23,965.00
Sub Total (B)		53,17,229.00	22,25,731.00
Total (A+B)		3723,82,692.00	2556,77,346.00
Schedule - 13			
Long term deposits			
Dhanalaxmi Bank		-	6,934.72
State Bank of Travancore		1,02,205.50	23,687.50

AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
Schedules attached to the Statement of Profit and Loss for the year ended 31st March 2018

Particulars	Annex No.	As at 31.03.2018	As at 31.03.2017
Schedule - 13			
Revenue from operations			
Interest on Loans & Advances	09	1025,62,963.00	1038,10,044.00
Other Operating Income	10	4,53,220.00	5,66,555.00
Loan Processing Fees		16,52,250.00	18,61,556.00
Total		1046,68,433.00	1062,38,155.00
Schedule - 14			
Other Income			
Interest on Bank Deposits		11,65,407.00	-
Other Income	11	2,35,517.00	2,89,745.00
Recovery of bad debts written off		-	-
Total		14,00,924.00	2,89,745.00
Schedule - 15			
Employee Benefit Expenses			
Salaries & Allowances	12	227,95,498.00	216,09,129.00
Directors Remuneration		-	-
Contribution to Provident Funds and Other funds	13	20,32,571.00	18,74,738.00
Staff Welfare Expenses		6,98,996.00	5,84,405.00
Total		255,27,065.00	240,68,272.00
Schedule - 16			
Financial Costs			
Interest on Bank Overdraft		51,063.00	40,16,834.00
Total		51,063.00	40,16,834.00
Schedule - 17			
Depreciation and Amortization Expenses			
Depreciation on Tangible Assets		32,40,332.00	32,88,670.00
Amortization of Intangible Assets		4,82,816.00	1,03,330.00
Total		37,23,148.00	33,92,000.00
Schedule - 18			
Other Expenses			
Audit Fees		2,00,000.00	2,15,000.00
Rent		67,16,988.00	58,62,132.00
Rates & Taxes	14	19,97,445.00	16,58,782.00
Printing and Stationery		5,64,644.00	3,62,295.00
Postage and Telephone	15	16,42,877.00	16,98,461.00
Electricity Charges		9,01,167.00	6,54,069.00
Insurance	16	1,29,641.00	1,49,804.40
Advertisement & Business Promotion Expenses	17	4,30,104.00	7,51,680.00
Travelling and Conveyance	18	28,70,645.00	48,46,910.00
Repairs and Maintenance	19	9,99,403.00	6,63,805.00
Legal Charge		4,40,255.00	2,58,750.00
Professional Charges		30,48,850.00	26,96,788.00



Security Service Charges		13,48,965.00	13,26,273.00
Bank Charges		6,11,351.53	6,24,557.00
Office Expense		9,31,341.00	6,94,662.00
Other Administrative Expense	20	26,46,579.00	6,65,651.00
Director's Sitting Fee		1,50,000.00	1,60,000.00
Total		256,30,256.00	232,89,619.40
Schedule - 19			
Provisions			
Provision on Standard Asset		1,05,322.00	(1,69,084.00)
NPA Principal -VL		13,60,298.00	15,94,194.00
NPA Principal -Gold		(37,83,700.00)	13,64,331.00
Provision others		(8,28,809.00)	-
NPA Principal -Mortgage		(1,30,000.00)	29,80,000.00
Diminution		13,67,730.00	24,46,440.00
Bad debts written off		64,71,074.00	28,56,178.00
Total		45,61,915.00	110,72,059.00

AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

- 20** A) The Company contributes to Gratuity Fund (LIC) as defined benefit retirement plan for its employees. Disclosures as required by Revised AS-15 for the year ended 31st March 2018 are as under:

Gratuity	
2017-18	2016-17
Rs	Rs
12,98,895.00	10,94,094.00
14,12,561.00	14,00,857.00
(1,13,666.00)	(3,06,763.00)

i) The amounts recognised in the balance sheet are as follows:	
Present value of the obligation as at the end of the year	
Fair value of plan assets as at the end of the year	
Net liability / (asset) recognised in the balance sheet	

ii) The amounts recognised in the Profit and Loss Account are as follows:	
Service cost	5,29,188.00
Premium Cost /Interest Cost	90,900.00
Expected Return on Plan Assets	(1,18,756.00)
Net actuarial (gain) / loss recognised in the year	(1,45,460.00)
Expense recognised in the Profit and Loss Account of the year	3,55,872.00

iii) Changes in the present value of defined benefit obligation	
Defined benefit obligation as at 1st April 2017	10,94,094.00
Service cost	5,29,188.00
Benefits Paid	(2,69,827.00)
Premium Cost/Interest Cost	90,900.00
Actuarial losses / (gains)	(1,45,460.00)
Defined benefit obligation as at 31st March 2018	12,98,895.00

iv) Changes in the fair value of plan assets	
Fair value as at 1st April 2017	14,00,857.00
Expected return on plan assets	1,18,756.00
Actuarial /(loss) / gains	-
Contributions	1,62,775.00
Benefits paid	(2,69,827.00)
Fair value as at 31st March 2018	14,12,561.00

Assumptions used in the above valuations are as under:	
Discount rate (%)	7.50
Future salary increase (%)	7.00

B Defined Contribution Plan

The Company makes contribution towards Employees Provident Fund and Employees State Insurance. These are defined contribution plans as per the Revised AS - 15. Contribution made during the year ended 31st March 2018 towards the above are Rs 13,72,642.00/- and Rs 6,40,864.00/- respectively.

- 21** Current assets, Loans and Advances are subject to confirmation.
- 22** In the opinion of the Management, all assets other than fixed assets and non current investments, have a realisable value in the ordinary course of business which is not different from the amount at which it is stated.
- 23** As per the information available with the management there are no dues to micro and small enterprises which are overdue and required to be disclosed under the MSMED Act, 2006.
- 24** Details of provisions during the year :

Particulars	2017-18	2016-17
Provision for Standard Assets	1,05,322.00	(1,69,084.00)
Provision for Non Performing Assets (Total during the year)	(25,53,402.00)	59,38,525.00
Provision for diminution in value of securities	13,67,730.00	24,46,440.00
Total	(10,80,350.00)	82,15,881.00

- 25** Details of Write Offs during the year:

Particulars	2017-18	2016-17
Bad Debts written off during the year:		
Against provision made in previous year	8,28,809.00	45,39,758.00
Relating to accounts become bad during the year having no provision in earlier years	56,42,265.00	28,56,178.00

- 26** Contingent liabilities and commitments to the extent not provided for: Nil

27 Interest accrued and due under Current Liabilities of Rs.9286 represents the interest payable on convertible debentures to a debenture holder who is no more and is outstanding for more than five years and will be transferred to Investor Education and Protection Fund after the specified period, if no claim is received legally till such time.

28 Related Party Disclosures:

a) Related parties and nature of relationship

i) Key Management Personnel:

- 1 Mr. C.P Sasidharan -Chief Executive Officer
- 2 Mr. Maheshkumar M - Chief Financial Officer
- 3 Mrs. Kavitha Shah - Company Secretary.

ii) Other Related Parties (Enterprise owned or significantly influenced by key management personnel): Nil

Mr. K K Vijayan

Mr. K Muraleedharan

Mr. C R Prasannan

Mr. P B Pradeep Kumar

Mr. Sreedharan Jayakumar

Mr. Prakash Damodaran

b) Transactions with Related Parties

PARTICULARS	2017-18	2016-17
Sitting Fee	1,50,000.00	1,60,000.00
Remuneration to Directors	-	-

c) Loans and advances :

Category	Secured	Unsecured	Total
1. Related parties			
(a) Subsidiaries	-	-	
(b) Companies in the same group	-	-	
(c) Other related parties	54,68,042.00	-	54,68,042.00
2. Other than related parties	4839,87,657.00	-	4839,87,657.00
	4894,55,699.00	-	4894,55,699.00

Particulars	Amount
Gross Non performing Assets	
a) Related parties	-
b) Other than related parties	648,87,190.00
Net Non performing assets	
a) Related parties	-
b) Other than related parties	583,22,865.40
Assets acquired on satisfaction of debt	

29 Segment Reporting

The Company is operating only in one segment, ie,Financing .Hence, requirement of disclosure of different segments does not apply.

30 The Company has made efforts to identify the components of each of assets which are having cost significant to the total cost of the asset and having different useful life than that of the asset. Based on a technical evaluation, it is confirmed that there are no component of an asset having cost which is significant to the total cost of the asset having useful life that is materially different from that of the asset and therefore the componentisation of assets for the purpose of depreciation is not having any material impact at present.

31 Pending Litigation: the company is not subject to any legal proceedings and claims ,which have arisen in the ordinary course of business.

32 The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses

33 Share holding pattern as on the date of Balance Sheet

	Current Year		Previous Year	
	Number of Shares	Percentage	Number of Shares	Percentage
Directors and Relatives	369,77,700.00	89.10	369,32,700.00	88.99
Others	45,22,300.00	10.90	45,67,300.00	11.01
	415,00,000.00	100.00	415,00,000.00	100.00

34 Retail loan represents Gold loan, Vehicle loan, Mortgage loan and demand loan disbursed by the company. The Company follows Income recognition and Asset classification norms in terms Non banking Financial (Non-deposit accepting or holding) Companies Prudential Norms (Reserve Bank) Directions 2007 issued by Reserve Bank of India. As on 31/03/2018, the Retail loan consist of the of the following:

Loans	Current Year	Previous Year
Gold Loan	2155,49,768.00	2300,21,970.00
Vehicle Loan	760,66,998.00	1261,16,778.00
Mortgage Loan	1782,35,315.00	871,11,832.00
SME Loan	196,03,618.00	-
Others	-	1,69,579.00
Total	4894,55,699.00	4434,20,159.00

35 Doubtful assets represents assets classified as doubtful as per IRAC norms as prescribed by the Reserve Bank of India and provision in accordance with such norms has been provided and disclosed as Provision for Retail loans.

36 Asset quality and credit concentration

	Current Year	Previous Year
a) Percentage of net NPA to net loans and advances		
Total loans and advances	4828,91,374.40	4334,73,624.64
Total NPA	583,22,865.40	510,33,880.70
Total NPA (in %)	12.08	11.77
b) NPA under Various Categories	Current Year	Previous Year
Vehicle Loans and Others	583,22,865	472,50,181
Gold Loan	-	37,83,700
	583,22,865	510,33,881
c) Amount of provision made during the year (NPA)	(25,53,402)	59,38,525
d) Percentage of Gold Loans to Total Advances	44%	52%

e) Movement in NPA	(Amount ₹)			
	Current Year		Previous year	
	NPA	Provision	NPA	Provision
Opening NPA	609,80,415.66	99,46,534.36	272,02,792.00	85,47,767.50
Addition to NPA	266,42,745.00	26,64,274.30	466,01,170.00	67,46,904.00
Recovery /Adjustment	227,35,971.00	60,46,485.20	128,23,546.34	53,48,137.14
Closing balance	648,87,189.66	65,64,323.46	609,80,415.66	99,46,534.36

f) Percentage of gold loans to Total assets 39% 43%

g) Details of Auction conducted during the year:

Particulars	
Number of loan accounts	1113
Outstanding amounts-Principal	408,72,493
Value fetched (Net of VAT)	419,79,933
Whether any sister concern participated in the auction	No

37 Previous year figures have been regrouped wherever necessary.

As per our Report of even date attached
For Rejith & Maju
Chartered Accountants
(Firm Reg. No.0072005)

S/d

CA Maju.K.Ismail FCA
(Partner) (M No:205939)

Place: Ernakulam
Date : 29/06/2018

For Agro Indus Credits Limited

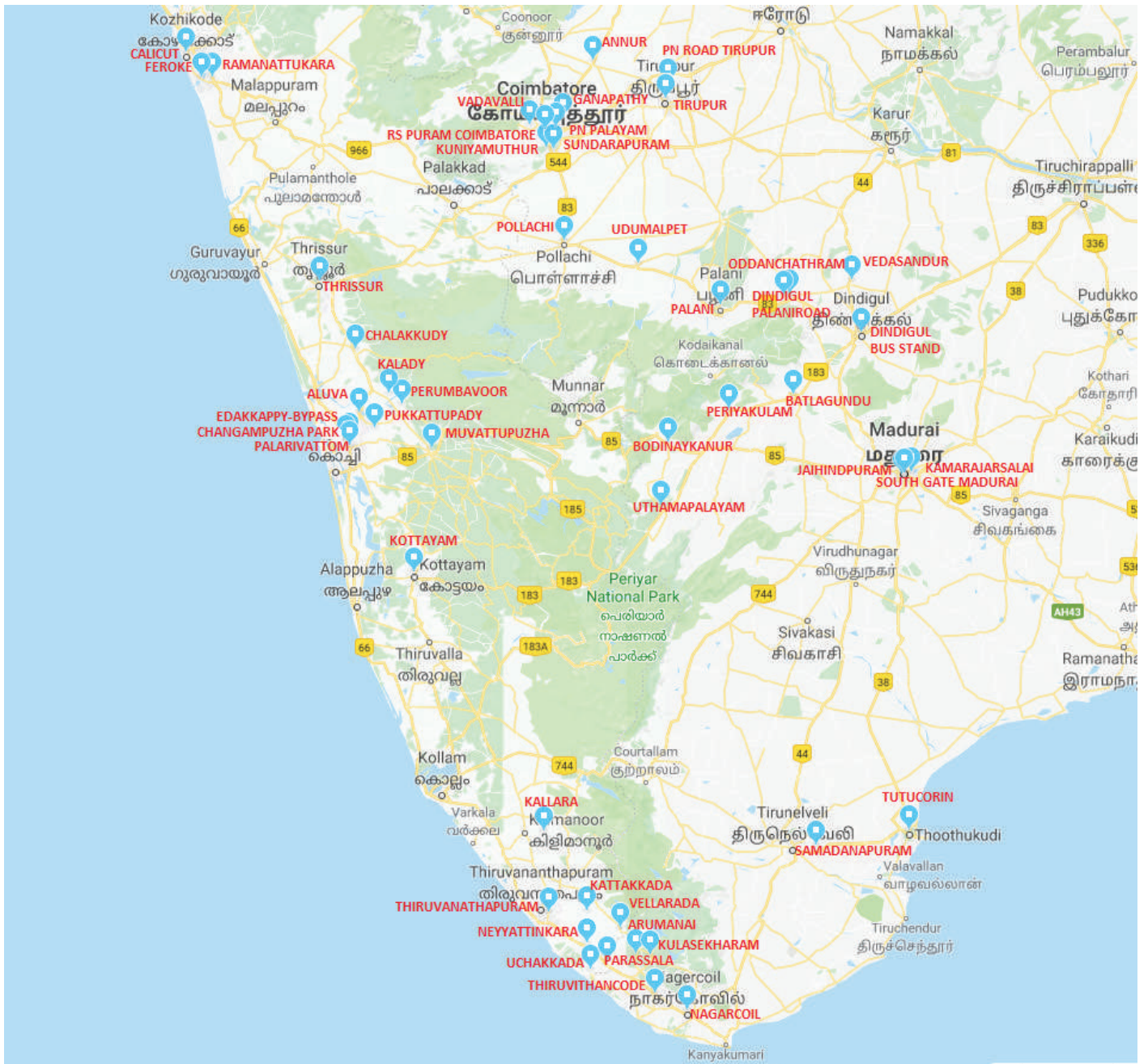
S/d
(K.K.Vijayan)
Director

S/d
(Maheshkumar M)
Chief Financial Officer

S/d
(CR Prassanan)
Director

S/d
(Kavitha Shah)
Company Secretary

BRANCHES



KERALA		TAMILNADU		
ALUVA	MUVATTUPUZZHA	ARUMANAI	MADURAI KAMARAJASALAI	TIRUPUR
CALICUT	NEYYATINKARA	ANNUR	MADURAI-JAIHINDPURAM	TIRUPUR - PN ROAD
CHALAKUDY	PARASSALA	BATLAGUNDU	MADURAI SOUTH GATE	TUTICORIN
EDAPPALLY BYPASS ROAD	PALARIVATTOM	BODINAIKANNUR	NAGARCOIL	UDUMELPET
EDAPALLY CHANGAMPUZZHA PARK	PERUMBAVOOR	COIMBATORE - VADAVALLI	ODDANCHATRAM	UTHAMAPALAYAM
FEROKE	PUKKATTUPADY	COIMBATORE - SUNDARAPURAM	PALANI	VEDASANDUR
KALADY	RAMANATUKARA	COIMBATORE - GANAPATHY	PERIYAKULAM	
KALLARA	THRISSUR	COIMBATORE - R.S. PURAM	PERIYANAIKENPALAYAM	
KATTAKADA	TRIVANDRUM	COIMBATORE - KUNIYAMUTHUR	POLLACHI	
KOTTAYAM	UCHAKADA	DINDIGUL PALANI ROAD	SAMADANAPURAM	
VELLARADA		KULASHEKARAM	THIRUVITHANCODE	



Registered Office: 34/1873, Mazhuvanchery Building, Mamangalam, Kochi-682025
CIN - U65910KL1997PLC011088
ANNUAL GENERAL MEETING -21ST AUGUST, 2018 AT 10:30AM

ATTENDANCE SLIP

(Please complete the slip and hand it over at the entrance to the meeting hall)

Name and address of the member	Folio No.
--------------------------------	-----------

I hereby record my presence at the 21st Annual General Meeting of the company at the registered office, at 10:30AM

Number of shares held	Signature of the Member / Proxy

Shareholders who come to attend the meeting are requested to bring their copies of Annual Report with them.



Registered Office: 34/1873, Mazhuvanchery Building, Mamangalam, Kochi-682025
ANNUAL GENERAL MEETING -21ST AUGUST, 2018 AT 10:30AM

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

I/We
of in the district of being a
member/members of AGRO INDUS CREDITS LIMITED hereby appoint
of in the district of or falling him
.....
of in the district of as my/our
proxy to vote for me/us on my/our behalf at the ANNUAL GENERAL MEETING of the
Company to be held onand at any adjournment thereof.
Signed this day of 2018

Client ID.....
No. of shares

Signature

Affix a 1
Rupee Revenue
Stamp

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



Regd. Off: 34/1873, Mazhuvanchery Building, Mamangalam,
Palarivattom PO, Kochi - 682 025 Ph: 0484 2341288/89
E-mail: admin@agroindus.co.in Web: www.agroindus.co.in