



22nd ANNUAL REPORT

2018-2019

Expanding
the Horizons
of Growth



AGRO INDUS CREDITS

**Corporate Information**Registered Office

Door No. 40/1166, First Floor,
 Thadikkaran Centre, Palarivattom, Kochi 682025
 Telephone: 2341288, 2341289
 Website: www.agroindus.co.in
 CIN NO.: U65910KL1997PLC011088
 RBI REG NO. 16.00030

Directors and CommitteesBoard of Directors

- ❖ Mr. K.K.Vijayan
- ❖ Mr. K. Muraleedharan
- ❖ Mr. S. Jayakumar
- ❖ Mr. C.R. Prasannan
- ❖ Mr. P.B. Pradeep Kumar
- ❖ Mr. Prem Kumar – Independent Director
- ❖ Mr. Atul Bhargava – Independent Director

Key Managerial Personnel

Chief Executive Officer
 Chief Financial Officer
 Company Secretary

Mr. C.P. Sasidharan
 Ms. Lakshmi. P
 Mr. Anand. V

Audit Committee

Mr. Pradeep Kumar PB – Chairman
 Mr. Prem Kumar
 Mr. Atul Bhargava

Nomination And Remuneration Committee

Mr. CR Prasannan – Chairman
 Mr. Prem Kumar
 Mr. Atul Bhargava

Statutory Auditors

M/s.Rejith & Maju
 Chartered Accountants, Ernakulam

Internal Auditors

M/s. Krishnamoorthy & Krishnamoorthy
 Chartered Accountants, Ernakulam

Bankers

City Union Bank Limited
 Dhanlaxmi Bank Limited
 Federal Bank Limited

From the desk of CEO

Dear shareholders,

It is a privilege to share our annual report for FY 2018-19. I would like to start by sharing a few comments on the macroeconomic environment that Agro Indus Credits is operating in followed by a brief overview of the strategy and performance of our company.

World economic situation and prospects:

During the last decade, debt levels have consistently risen, quite visibly across all countries and sectors. Public and private debt has reached historical highs in many countries. Amid signs that global growth has peaked and with renewed uncertainties over the monetary policy trajectory of the United States Federal Reserve (Fed), high global debt is not only a financial risk in itself but also a source of vulnerability in case of a downturn.

Against this backdrop, the ongoing rise of leveraged loans in several developed countries is increasingly seen as a potential risk for financial stability. After collapsing during the global financial crisis of 2007-08, leveraged loans have recently resurged in the US, Europe, especially in the UK and Northern Ireland. Growing demand for leveraged loans may pose a new global financial risk. Many developed economies continue to face the challenge of dealing with very high or rising debt levels. In Europe, many countries followed a path of pro-cyclical fiscal consolidation in the wake of the global financial crisis. Japan's fiscal situation remains highly challenging. A surge in African sovereign external bond issuance raises concern. Among the economies of the Commonwealth of Independent States, the Russian Federation has been maintaining a relatively low level of public debt. China's recent policy easing measures may fuel a further rise in domestic debt. Accordingly, IMF's new world economic outlook projects a slowdown in growth in 2019 for 70 percent of the world economy. Global growth softened 3.6 percent in 2018 and is projected to decline further to 3.3 percent in 2019.

Domestic scenario:

Our financial market witnessed increased volatility in FY 2018-'19. Nevertheless, India remains a beacon of growth. It is considered as the world's sixth-largest economy by nominal GDP and the third-largest by purchasing power parity. According to several studies, India's growth rate should stabilize at 8 percent during the next decade, ranking the country as the world's fastest-growing economy. United Nations' world economic situation and prospectus (WESP) 2019 report says that India's GDP growth is expected to accelerate to 7.6 percent in 2019-20 from an estimated 7.4 percent in the FY 2018-19.

Growth in India continues to be underpinned by robust private consumption, a more expansionary fiscal stance and benefits from private reforms. Economic Survey 2019, a road map to boost up the economy and policy initiatives of the Government highlights a GDP growth rate of 8 percent for Hon: Prime Minister's \$5 Trillion economy target.

Banking & NBFC sector:

Tight liquidity has limited the banks' ability to reduce deposit rates, and hence, the high lending rates. For lending rates to come down significantly, liquidity conditions have to ease considerably. The RBI delivered on expected lines and cut its policy repo rate by 25bps recently. With the central bank finally actioning on the repo rate, the big question is if banks

will reciprocate and cut down lending rates. After inheriting a banking system that was staggering under the weight of NPAs, the government and RBI did manage to force the banks to disclose ever greened loans. A new Bankruptcy code was legislated to allow lenders to take charge of the resolution process. RBI has already issued norms to deal with stressed assets. The new framework gives lenders 30 days to review the borrower accounts on default.

One of the major challenges that Indian banks are facing today is how to cope with the competitive firms in order to strengthen their balance sheet. NBFCs (Non- banking finance companies) and HFCs (Housing finance companies) have played a significant role in bringing credit growth during the last few years. In order to cater their needs, these NBFCs were mostly depending upon bond issues in addition to working capital facilities from commercial banks. NBFCs were acting as a last resort to many non- priority business ventures and MSMEs which were not getting a proper share from PSBs. Since last year, the process has gone into reverse with the fall of some of the major NBFCs. During the year under report, major NBFCs in the country witnessed severe liquidity crunch. Some of the leading NBFCs have undergone acute financial crisis and continue to face internal and external crisis. A roadmap for consolidation and better governance of PSBs measures to address the crisis in NBFCs is also necessary. Unless the NBFCs are reactivated, economic recovery will be a long drawn process. Hence, NBFCs have urged the RBI to enable the flow of Mudra funds to small and medium NBFCs that are facing tight liquidity. NBFCs are playing an extremely important role in sustaining consumption demanded as well as capital formation in small and medium industry segment. Liquidity support to commercial banks does not rescue weak NBFCs.

Our Performance:

The year under report was very significant for Agro Indus. It witnessed our fastest expansion till date with 28 more branches added, taking our branch network to 65 centres. We also have a brand new corporate office at Palarivattom, Cochin that is fully furnished and equipped with a board room. As of 31st March 2019, our AUM (Asset Under Management) has increased to Rs 6940 Lakhs from Rs 4895 Lakhs the year before, at a growth rate of 41.78%. Our PBT was Rs 340 L and PAT was Rs 250 L respectively during this financial year. Our expansion strategy has contributed towards additional capital expenditure and depreciation costs during this financial year. We are however confident that in the long term, this expansion will pay off as a significant catalyst for Agro Indus Credits to evolve into a mid-cap financial intermediary.

As we now navigate the company through FY19-20, I'm confident that we will successfully execute our vision and grow into further heights.

C P Sasidharan
Chief Executive Officer

**NOTICE**

NOTICE is hereby given that the 22nd Annual General Meeting of the Company will be held on **Saturday 28th September, 2019 at 10.30 AM**, at the Registered Office of the Company situated at Door No: 40/1166, First Floor, Thadikkaran Centre, Palarivattom, 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, 2019 and the Statement of Profit and Loss for the year ended on that date.
2. To appoint a Director in the place of Mr. KK Vijayan (DIN 02890793) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Director in the place of Mr. Pradeep Kumar (DIN 02004746) who retires by rotation and being eligible, offers himself for reappointment.

SPECIAL BUSINESS:

1. Appointment of Mr. Prem Kumar as an Independent Director of the Company.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Prem Kumar, (DIN- 7889097) who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for five year w.e.f. 28th of September, 2019 and shall not be liable to retire by rotation hereinafter in accordance with the provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 149 and 197 of the Companies Act, 2013 read with Schedule IV thereof (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Prem Kumar, Independent Director of the Company be paid, the sitting fees, within the limits prescribed under the Act attending the meeting(s) of the Board or any Committee thereof and reimbursement of any expenses for participation in the Board and other meetings."

**Place: Kochi
Date: 12th July 2019**

**By order of the Board of Directors
For Agro Indus Credits Limited**

Anand V
Company Secretary
(Membership No. A34737)

**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.

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

ITEM NO.1

The Board of Directors, pursuant to the provisions of Section 161 of the Act and applicable rules made thereunder, appointed Mr. Prem Kumar (DIN 7889097) as an Additional Director in the capacity of an Independent Director holding office upto the date of the Annual General Meeting .

Mr. Prem Kumar, have given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, Mr. Prem Kumar fulfill the conditions specified in the Act and the rules framed thereunder for appointment as Independent Director. In compliance with the provisions of section 149 read with Schedule IV of the Companies Act, 2013 the appointment of Mr. Prem Kumar as Independent Directors is now being placed before the Members for their approval.

Place: Kochi
Date: 12th July 2019

By order of the Board of Directors
For Agro Indus Credits Limited

Anand V
Company Secretary
(Membership No. A34737)

DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure of presenting before you the Company's Twenty-Second Annual Report along with the Audited Statements of Accounts for the year ended 31st March, 2019 and the Report of the Auditors thereon.

1. Business:

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 (IGAAP).

THE COMPANY'S FINANCIAL HIGHLIGHTS

Particulars	As at 31.03.2019	As at 31.03.2018
	(In Rupees)	
Gross Revenue	13,65,31,165	10,60,69,357
Interest Expenses	82,16,167	51,063
Depreciation Expenses	95,88,362	37,23,148
Total Expenses	8,47,16,309	5,57,19,236
Profit Before Tax	3,40,10,327	4,65,75,910
Tax Expenses	90,26,248	1,32,75,878
Profit for the year	2,49,84,079	3,33,00,012

3. Dividend:

Your Board has decided not to declare any dividend as your company has opened many Branches and many more branches are mapped for the near future.

The Company has mapped out opening of further branches in the financial year 2019-20. Thus the company is trying to preserve its reserves in order to expand the business.

4. Share Capital:

The Authorised 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 Fifty lakhs only).

5. General Reserve:

The Company has transferred Rs. 49,96,816 to the General Reserve for the financial year ended March 31, 2019.

6. Transfer to Investor Education and Protection Fund:

Since the Company has not declared dividend, no unclaimed dividend is due for transfer to Investor Education and Protection Fund.

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 2018-19. The Company has not accepted any deposits and as such, 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, 2019.

9. Material changes and commitments affecting the financial position between the end of financial year and date of report after the balance sheet date:

No material changes have taken place for reporting.

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

The following changes have been made to the Board of Directors during the year.

Sl.No	Name	Designation	Appointment or Resignation
1.	Mr. T.C Ramesh	Independent Director	Resignation
2.	Mr. Maheshkumar. M	Chief Financial Officer	Resignation
3.	Ms. Kavitha Shah	Company Secretary	Resignation
4.	Ms. Lakshmi.P	Chief Financial Officer	Appointment
5.	Mr. Anand V	Company Secretary	Appointment

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

The Board of Directors met five times during the financial year 2018-2019. As on March 31, 2019, the Board had two committees, namely, Audit Committee, Nomination and Remuneration Committee.

Sl. No	Date of Board of Director Meeting	Mr.KK Vijayan	Mr.K Muraleedharan	Mr Pradeep Kumar PB	Mr. Prakash DV	Mr. Prasanna n CR	Mr. S. Jayakumar	Mr.TC Ramesh	Mr. Atul Bhargava
1	20/04/2018	Present	Present	Present	Leave	Present	Present	Leave	Present
2	29/06/2018	Present	Present	Present	Leave	Present	Leave	Present	Present
3	21/08/2018	Present	Present	Leave	Leave	Present	Leave	Leave	Leave
4	03/12/2018	Present	Present	Leave	Leave	Present	Present	Present	Present
5	14/02/2019	Present	Present	Leave	Leave	Present	Leave	Leave	Present
Total	5	4	5	2	0	5	2	2	4

Audit Committee:

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

Audit Committee Meetings & Attendance

Sl.No	Date of Meeting	Mr. PB Pradeep Kumar	Mr.TC Ramesh	Mr. Atul Bhargava
1	29/06/2018	Present	Present	Present

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

Nomination & Remuneration Committee:

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

Nomination and Remuneration Committee Meetings & Attendance

Sl.No	Date of Meeting	Mr. CR Prasannan	Mr.TC Ramesh	Mr. Atul Bhargava
1	20/04/2018	Present	Leave	Present

Independent Directors Meeting & Attendance

Independent directors meet annually to review the performance of the Non-Independent Directors and the chairperson

Sl.No	Date of Meeting	Mr.TC Ramesh	Mr. Atul Bhargava
1	03/12/2018	Present	Present

13. Auditors and Statutory Auditors Report:

The Auditors, M/s. Rejith & Maju, Chartered Accountants, (Firm Reg. No. 007200S) hold the office of auditor till the conclusion of the Twenty Fifth annual general meeting.

The statutory audit report for the year 2018-19 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;
- the directors had prepared the annual accounts on a going concern basis; and
- 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
- 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 Policy 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 a Gold inspector 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 followed.

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 or 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 Note to the financial statements provided in the Annual Report under the head Long Term Loans and Advances and Short Term Loans and Advances.

19. Related Party Transactions:

All arrangements / transactions entered by the Company with its related parties during the year were in ordinary course of business and on an arm's length basis. 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 Directors except sitting fees for attending the meeting 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 a Policy on Prevention of Sexual Harassment at Workplace. There was 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.

27. Change in Nature of business:

There is no change in the nature of business of the Company.

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 2019 was discussed by the Nomination and Remuneration committee in their meeting held on 20/04/2018 and the Board during their meeting held on 14th February 2019.

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 & Maju Chartered Accountants, Ernakulam, Statutory Auditors, M/s Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam (Internal auditors), P Dhanya & Associates, Practicing Company Secretaries, Ernakulam, ICRA, CARE & Crisil- Credit rating agency, members of staff and other constituents for their continued support, active encouragement and co-operation.

For and on behalf of the Board of Directors

Ernakulam
12th July, 2019

KK Vijayan
Director

CR Prasannan
Director



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

As on the financial year ended on 31.03.2019

[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	Door No. 40/1166, First Floor, Thadikkaran Centre, Palarivattom Kochi-682025
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent	Integrated Registry Management Services Pvt Limited, 2nd Floor, "Kences Towers" No. 1 Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017 Phone: 044-28140801 to 28140802

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 subsidiary	% 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	Preissue	% of Total Shares	Post issue	% of Total Shares
A. Promoters				
(1) Indian				
a) Individual/HUF	3,20,53,300	77.24	3,20,65,800	77.27
b) Central/State	-	-	-	-
c) Bodies Corp	-	-	-	-
d) Banks / FI	-	-	-	-
e) Any Other....	-	-	-	-
Sub-total (A) (1)	3,20,53,300	77.24	3,20,65,800	77.27
(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	77.24	3,20,65,800	77.27
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	0.24	1,00,000	0.24
ii) Overseas	-	-	-	-
b) Individuals	93,46,700	22.41	93,34,200	22.49
c) Others (specify)	-	-	-	-
Sub-total (B)(2)	94,46,700	22.65	94,34,200	22.73
Total Public Shareholding (B)=(B)(1) + (B)(2)	94,46,700	22.65	94,34,200	22.73
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-
Grand Total (A+B+C)	4,15,00,000	100	4,15,00,000	100

(ii) Shareholding of Promoters:

Sl No.	Shareholder's Name	Shareholding at the beginning of the		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	Mrs. TP Sasikala	51,400	0.124	51,400	0.124	NIL
3	Mr. PN Job	35,300	0.085	35,300	0.085	NIL
4	Mr.MS Hariharan	37,500	0.09	37,500	0.09	NIL
5	Mr.EV Krishnan	700	0.002	700	0.002	NIL
6	Mrs.PR Suguna	20,000	0.048	20,000	0.048	NIL
7	Mr.ME Vasu	7,100	0.017	7,100	0.017	NIL
8	Mr KC Sudhakaran	10,000	0.024	10,000	0.024	NIL
9	Mrs. Beena Muraleedharan	3,15,02,500	75.91	3,15,50,000	76.02	0.11
TOTAL		162000	77.11	162000	77.22	

(iii) Change in Promoters' Shareholding:

No changes taken place for reporting.

(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	1,539,350	3.71	Nil	Nil	Nil	1,539,350	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		Cumulative Shareholding	
		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. Prem Kumar	Nil	-	Nil	-
6	Mr S Jayakumar	2606200	6.28	2606200	6.28
7	Mr Atul Bhargava	Nil	-	Nil	-
8	Mr. C P Sasidharan	Nil	-	Nil	-
9	Ms. P Lakshmi	Nil	-	Nil	-
10	Mr. Anand V	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		-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due		-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
□ Addition	172,189,226	1,059,354		173,248,580
□ Reduction				-
Net Change	172,189,226	1,059,354	-	173,248,580
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)	172,189,226	1,059,354	-	173,248,580

(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	15,000			25,000			
	Commission	Nil			Nil			
	Others – Travelling Expense	40,000			80,000			
	Total (1)	55,000			105,000			160,000
2	Other Non-Executive Directors	Mr. KK Vijayan	Mr K Muraleedharan	Mr Pradeepkumar PB	Mr Prasannan CR	Mr Jayakumar S	Mr Prakash Damodaran V	-
	Fee for attending Board Committee Meetings	25,000	25,000	10,000	25,000	10,000	0	
	. Commission	Nil	Nil	Nil	Nil	Nil	Nil	
	. Others (Travelling)	100,000	100,000	40,000	100,000	40,000	0	
	Total (2)	125,000	125,000	50,000	125,000	50,000	0	475,000
	Total (B)=(1+2)							
	Total Managerial Remuneration							635,000
	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	
			MAHAESH KUMAR	LAKSHMI P	KAVITHA SHAH	ANAND V	
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	716000	619197	303111	622604	191613	2452525
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	0				0	0
	(c) Profit in lieu of salary under section 17(3) Income tax Act, 1961	0		0		0	0
2	Stock Option	0		0		0	0
3	Sweat Equity	0		0		0	0
	Commission			0		0	0
4	- As % of profit	0					0
	- Others						0
5	Others (Consultant Fee)	1070000					1070000
	Total (A)	1786000	619197	303111	622604	191613	3522525

(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	2,000,000	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)
Door no: 40/1166, Thadikaran Centre,
Palarivattom, Ernakulam, Kerala 682 025

Report on the Audit of 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 2019, 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.

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 2019, and profit or loss, and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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, 2019 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, 2019 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- g) With respect to the other matters to be included in the 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 other than the 205 cases for Rs. 4,04,84,411.00/- pending for final order in various courts in Kerala and Tamil Nadu with respect to the repayment of loans given by the company.
 - 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: Ernakulam
Date:04.07.2019

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 other than the loans given to the customer during the normal course of business.
- 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 other than the Non-Convertible Debentures of Rs. 1,95,00,000.00/- issued to Shareholders and relatives of Shareholders 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. (i) 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 2019 for a period of more than six months from the date they became payable.

(ii) 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 and other duties and taxes which are outstanding as at 31st March 2019.

- 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 other than the Non-Convertible Debentures issued to the shareholders and relatives.
- 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 been informed for any such case by the management other than the following observations.
1. It is reported that Mr. Siva, aged 38 years working as Branch Manager in the Madurai South Gate branch of the company and Mr. Dinesh and Ms. Sumitha working as Customer Service Executives in the same branch is accused with the charge of pledge of spurious gold ornaments in the name of various persons.
The total value of the fraud charged is Rs. 55,24,250.00. The total number of missing packets is 53 out of which the total number of spurious packets are 26, empty packets 5 and number of packets with gold of nominal value is 22.
 2. The fidelity guaranteed claim with United India Insurance is filed for Rs. 55,24,250.00/- against the loss of Rs. 55,24,250.00/- but the claim is not yet sanctioned as informed to us.
- 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 other than Director sitting fees provided during the year.
- 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. (Refer Note No. 30)
- 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: Ernakulam

Date:04.07.2019

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 2019 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 includes 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 2019, 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, subject to the qualification and observation provided in the audit report and notes to accounts.

Place: Ernakulam

Date:04.07.2019

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 LIMITED) ON THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2019.**

1. We audited the attached Balance Sheet of Agro Indus Credits Limited (the company) as at 31st March 2019, 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 04-07-2019 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 of 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, 2019, 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 has 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, other than the Non-Convertible Debentures issued to the Shareholders and relatives for Rs. 1,95,00,000/-.
 - 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: Ernakulam
Date:04.07.2019

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)

Door No: 40/1166, Thadikaran Center, Palarivattom

ERNAKULAM, KERALA-682 025

BALANCE SHEET AS AT 31ST MARCH 2019

Particulars	Sch No	As at 31.03.2019	As at 31.03.2018
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	1445,55,793.00	1195,71,714.00
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings	04	220,59,354.00	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions	05	54,17,710.00	48,98,644.00
(4) Current Liabilities			
(a) Short-term borrowings	06	1511,89,226.00	-
(b) Trade payables		-	-
(c) Other current liabilities	07	132,86,298.00	57,05,722.00
(d) Short-term provisions	08	168,23,181.00	200,33,772.00
TOTAL		7683,31,562.00	5652,09,852.00
II.Assets			
(1) Non-current assets			
(a) Fixed Assets			
(i) Tangible Assets	09(a)	313,79,210.00	161,30,191.00
(ii) Intangible Assets	09(b)	23,54,712.00	15,60,097.00
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	10	57,43,666.00	51,53,675.00
(d) Long term loans and advances	11	1120,21,597.00	1290,90,070.00
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	12	88,15,492.00	282,54,345.00
(e) Short-term loans and advances	13	6080,16,885.00	3850,21,474.00
(f) Other current assets		-	-
TOTAL		7683,31,562.00	5652,09,852.00

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)

CA Maju.K.Ismail FCA

(Partner) (M No:205939)

Place: Cochin

Date : 04-07-2019

For and on behalf of the Board

(K.K.Vijayan)

Director

(CR Prassanan)

Director

(Lakshmi P)

Chief Financial Officer

(Anand V)

Company Secretary



AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
Door No:40/1166, Thadikaran Center, Palarivattom
ERNAKULAM, KERALA-682 025

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Sch No	(Amount in Rupees)	
		As at 31.03.2019	As at 31.03.2018
I. Revenue from operations	14	1347,40,970.00	1046,68,433.00
II. Other Income	15	17,90,195.00	14,00,924.00
III. Total Revenue (I + II)		1365,31,165.00	1060,69,357.00
<u>IV. Expenses:</u>			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	16	436,18,030.00	255,27,065.00
Financial costs	17	82,16,167.00	51,063.00
Depreciation and amortization expense	18	95,88,362.00	37,23,148.00
Other expenses	19	342,11,050.00	256,30,256.00
Provisions and Write Offs	20	68,87,229.00	45,61,915.00
Total Expenses		1025,20,838.00	594,93,447.00
V. Profit before exceptional and extraordinary items and tax (III - IV)		340,10,327.00	465,75,910.00
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		340,10,327.00	465,75,910.00
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		340,10,327.00	465,75,910.00
X. Tax expenses:			
(1) Current tax		96,16,239.00	126,38,782.00
(2) Tax relating to Previous years		-	-
(3) Deferred tax		(5,89,991.00)	6,37,116.00
XI. Profit(Loss) from the period of continuing operations (IX-X)		249,84,079.00	333,00,012.00
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)		249,84,079.00	333,00,012.00
XVI. Earning per equity share:			
(1) Basic		0.60	0.80
(2) Diluted		0.60	0.80

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)

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

Place: Cochin
Date : 04-07-2019

For and on behalf of the Board

(K.K.Vijayan)
Director

(CR Prassanan)
Director

(Lakshmi P)
Chief Financial Officer

(Anand V)
Company Secretary



AGRO INDUS CREDITS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2019

Particulars	(Amount in Rupees)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	3,40,10,327.00	4,65,75,910.00
Adjustments for		
Depreciation	95,88,361.00	37,23,148.00
Interest paid	82,16,167.00	51,063.00
Miscellaneous Income	(16,65,430.00)	(2,35,517.00)
Interest on Bank deposits	(1,24,765.00)	(11,65,407.00)
Provisions (Net)	3,14,587.00	(19,09,155.00)
Dividend Income	-	-
Profit on Sale of Fixed Asset	-	(1,20,968.00)
Loss on sale of Asset	3,26,911.00	5,73,515.00
Asset scrapped	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	5,06,66,158.00	4,74,92,589.00
Income Taxes Paid	-	1,26,38,782.00
NET CASH FLOW FROM OPERATING ACTIVITIES	5,06,66,158.00	3,48,53,807.00
Adjustments for:		
(Increase)/Decrease in Trade & Other receivables	(21,85,65,720.00)	(3,49,99,792.00)
Increase / (Decrease) in Trade Payable	75,80,576.00	29,70,810.00
Increase / (Decrease) in Long term provisions	21,034.00	(46,980.00)
Increase / (Decrease) in Short Term provision	(4,603.00)	(33,159.00)
(Increase)/Decrease in Investments	-	-
CASH GENERATED FROM OPERATIONS	(16,03,02,555.00)	27,44,686.00
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	-	-
Purchase of Fixed Assets	(2,61,00,941.00)	(1,43,40,753.00)
Sale of Fixed Assets / Adjustment	1,42,034.00	3,39,138.00
Interest received	1,24,765.00	11,65,407.00
Miscellaneous Income	16,65,430.00	2,35,517.00
Dividend received	-	-
NET CASH USED IN INVESTING ACTIVITIES	(2,41,68,712.00)	(1,26,00,691.00)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Issue of Share Capital	-	-
Proceeds from issue of Non Convertible Debentures and Unsecured loan	2,20,59,354.00	-
Proceeds from Short Term Borrowing	15,11,89,226.00	(1,43,63,757.00)
Interest paid	(82,16,167.00)	(51,063.00)
NET CASH USED/GENERATED FROM FINANCING ACTIVITIES	16,50,32,413.00	(1,44,14,820.00)
NET (DECREASE) / INCREASE IN CASH & CASH EQUIVALENTS (A+B+C)	(1,94,38,853.00)	(2,42,70,827.00)
Cash & Cash equivalents at the beginning of the year	2,82,54,345.00	5,25,25,172.00
Cash & Cash equivalents at the end of the year	88,15,492.00	2,82,54,345.00

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

For Agro Indus Credits Limited

(K.K.Vijayan)
Director

(CR Prassanan)
Director

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

(Lakshmi P)
Chief Financial Officer

(Anand V)
Company Secretary

Place: Cochin
Date : 04-07-2019



AGRO INDUS CREDITS LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2019

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)**

Door No:40/1166, Thadikaran Center, Palarivattom

ERNAKULAM, KERALA-682 025

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2019**2. SHARE CAPITAL**

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number	Amount	Number	Amount
Authorised				
Equity Shares of Rs. 10 each	500,00,000	5000,00,000	500,00,000	5000,00,000
Issued				
Equity Shares of Rs. 10 each	415,00,000	4150,00,000	415,00,000	4150,00,000
Subscribed & Paid up				
Equity Shares of Rs. 10 each fully paid	415,00,000	4150,00,000	415,00,000	4150,00,000
Total	415,00,000	4150,00,000	415,00,000	4150,00,000

1.1. 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 (2018-2019)		Previous Year (2017-2018)	
	Number	Amount	Number	Amount
Shares outstanding as on 01/04/2018	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 31/03/2019	415,00,000.00	4150,00,000.00	415,00,000.00	4150,00,000.00

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

Name of Shareholder	As at 31st March 2019		As at 31st March 2018	
	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%	315,50,000.00	76.02%

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



AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
Door No:40/1166, Thadikaran Center, Palarivattom
ERNAKULAM, KERALA-682 025

Schedules forming part of the Balance Sheet as at 31st March 2019

Particulars	Annex No.	As at 31.03.2019	As at 31.03.2018
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		2,47,58,516.00	1,80,98,514.00
Add: Amount transferred from surplus in the statement of P&L		49,96,816.00	66,60,002.00
Sub Total (B)		2,97,55,332.00	2,47,58,516.00
C. Surplus			
Opening balance		9,46,73,198.00	6,80,33,188.00
(-) Adjustment for Intangible Assest (Life Expired)		-	-
(+) Net Profit/ (Net Loss) for the current year		2,49,84,079.00	3,33,00,012.00
(-) Transfer to Statutory Reserves		(49,96,816.00)	(66,60,002.00)
Sub Total (C)		11,46,60,461.00	9,46,73,198.00
Total (A+B+C)		14,45,55,793.00	11,95,71,714.00
Schedule - 04			
Long-term borrowings			
Non Convertible Debentures (Refer Note 21)		2,10,00,000.00	-
<i>(Pari-passu charge with City Union Bank Ltd, Dhanalakshmi Bank Ltd and Federal Bank Ltd on book debts and receivables, cash and bank balances and loans and advances)</i>			
Unsecured loan from Director		10,59,354.00	-
Total		2,20,59,354.00	
Schedule - 05			
Long-term Provisions			
A. Provision for Advance:			
Provision for Standard Assets		2,55,651.00	3,05,976.00
Provision for diminution in value of security		48,26,564.00	42,78,207.00
Sub Total (A)		50,82,215.00	45,84,183.00
B. Provision for Employee Benefits:			
Provision for leave encashment		3,35,495.00	3,14,461.00
Sub Total (B)		3,35,495.00	3,14,461.00
Total (A+B)		54,17,710.00	48,98,644.00
Schedule - 06			
Short-term borrowings			
Overdraft Account with:-			
City Union Bank Ltd, Edappally Br. Overdraft {A/c No. 123120000196923}		2,53,18,268.80	-
<i>(Pari-passu charge with Dhanalakshmi Bank Ltd and Federal Bank Ltd Gold Loan Receivable, with 40% margin with interest rate 12%)</i>			
Dhanalakshmi Bank Ltd, Palarivattom Br. Overdraft {A/c No.003813700000133}		2,50,89,865.00	-
<i>(Pari-passu charge with City Union Bank Ltd and Federal Bank Ltd on book debts, actionable claim, receivables with 25% margin with interest rate 12%)</i>			
Federal Bank Ltd, Palarivattom Br. Overdraft {A/c No. 13805500013997 }		10,07,81,091.82	-
<i>(Pari-passu charge with City Union Bank Ltd and Dhanalakshmi Bank Ltd, Secured by Gold Loan Receivable, with 25% margin with interest rate 11.75%, Sanctioned limit of Rs. 10 Crores)</i>			
Total		15,11,89,225.62	-
Schedule - 07			
Other Current Liabilities			
(a) Interest accrued and due on borrowings (6th year)		9,286.00	9,286.00
(b) Interest accrued and due on borrowings		4,15,270.00	-
(c) Others payables :			
- Statutory	01	9,76,185.00	7,91,971.00
-Creditors	02	85,40,485.00	40,71,943.00
-Other Liabilities	03	33,45,072.12	8,32,522.00
Total		1,32,86,298.12	57,05,722.00

AGRO INDUS CREDITS LIMITED
Schedules forming part of Balance Sheet as at March 31st, 2019

AGRO INDUS CREDITS LIMITED										
Schedules forming part of Balance Sheet as at March 31st, 2019										
Schedule 9 Fixed Assets		Gross Block				Depreciation			Net Block	
	Particulars	Balance as on April 1st, 2018	Additions during the year	Deletions during the year	Balance as on March 31, 2019	Accumulated balance as on April 1st, 2018	Depreciation for the year	Depreciation on deletion	Balance as on March 31, 2018	Balance as on March 31, 2019
A)	<u>TANGIBLE ASSETS</u>									
	Furniture and Fixtures	2,61,42,711	1,58,87,563	21,64,986	3,98,65,288	1,53,26,317	49,36,953	18,19,632	1,08,16,394	2,14,21,650
	Electrical Fittings	30,52,971	26,59,559	5,00,124	52,12,406	14,34,499	7,55,344	4,09,315	16,18,472	34,31,878
	Office Equipments	47,99,020	39,30,289	2,69,444	84,59,865	29,81,182	17,80,731	2,48,025	18,17,838	39,45,977
	Vehicles	8,56,647	-	-	8,56,647	1,15,808	1,91,803	-	7,40,839	5,49,036
	Computer & Accessories	38,40,720	21,96,810	1,05,700	59,31,830	27,04,072	12,96,050	98,960	11,36,648	20,30,668
	Sub Total(A)	3,86,92,069	2,46,74,221	30,40,254	6,03,26,036	2,25,61,878	89,60,880	25,75,932	1,61,30,191	3,13,79,210
B)	<u>INTANGIBLE ASSETS</u>									
	Computer Software	22,74,905	14,26,720	11,674	36,89,951	7,14,808	6,27,481	7,050	15,60,097	23,54,712
	Sub Total(B)	22,74,905	14,26,720	11,674	36,89,951	7,14,808	6,27,481	7,050	15,60,097	23,54,712
	TOTAL(A+B)	4,09,66,974	2,61,00,941	30,51,928	6,40,15,987	2,32,76,686	95,88,361	25,82,982	1,76,90,288	3,37,33,922



Schedule - 08			
Short-term provisions			
Provision for Standard Assets		13,78,056.00	7,55,446.00
Provision for Non- Performing Assets		57,58,270.00	65,64,325.00
Provision for Income Tax	04	96,16,239.00	1,26,38,782.00
Provision for Leave Encashment		70,616.00	75,219.00
Total		1,68,23,181.00	2,00,33,772.00
Schedule - 10			
Deferred Tax Assets			
Deferred Tax Assets on account of :-			
a) Depreciation difference		40,28,735.00	32,37,847.00
b) Provision for Advances		17,14,931.00	19,15,828.00
Total		57,43,666.00	51,53,675.00
Schedule - 11			
Long term loans and advances			
a) Retail Loans (Secured, Considered Good)			
Mortgage Loans	05	7,12,93,054.80	10,67,19,651.00
SME Loans	05	3,09,67,392.50	1,56,70,585.00
b) Security Deposits	06	97,61,150.00	65,29,000.00
(Unsecured, Considered Good)			
c) Capital Advances		-	1,70,834.00
Total		11,20,21,597.29	12,90,90,070.00
Schedule - 12			
Cash and cash equivalents			
Cash in Hand		25,50,469.53	31,54,667.63
Stock on hand -Stamps and Stamp papers		1,949.00	1,326.00
Cash with Banks: -			
City Union Bank, Edappally Br. Overdraft {A/c No. 123120000196923}		-	77,71,089.88
Dhanalaxmi Bank , Palarivattom Br. Overdraft {A/c No. 003813700000133}		-	2,87,014.86
Current Account Balances with:			
City Union Bank		7,01,138.79	10,93,998.75
Dhanalaxmi Bank		37,252.30	-
Axis Bank		10,06,630.00	-
State Bank of Travancore		-	1,02,205.50
Federal Bank		28,09,006.63	6,55,059.91
State Bank of India		1,29,664.50	21,354.61
Catholic Syrian Bank		33,099.75	95,919.00
Canara Bank		-	1,17,405.00
Union Bank of India		37,224.78	-
Federal Bank - Debenture {A/c No. 13800200110797}		9,057.00	-
Dhanalaxmi Bank - Debenture {A/c No. 003805300020088}		15,00,000.00	-
Fixed deposits with Federal Bank		-	1,49,54,304.00
Total		88,15,492.00	2,82,54,345.00
Schedule - 13			
Short Term Loans and Advances			
(A) Retail Loans			
(i) Secured, Considered good			
Gold Loan	07(A)	38,15,07,843.00	21,55,49,768.00
Vehicle Loans	07(B)	3,12,80,774.00	7,60,66,998.00
Mortgage Loans	07(B)	15,85,62,429.49	7,13,26,650.00
SME Loans	07(B)	45,30,504.76	39,33,033.00
(ii) Secured, Considered Doubtful			
Vehicle Loans		1,56,35,729.00	-
(iii) Unsecured, Considered Doubtful			
Mortgage Loans		1,89,014.00	1,89,014.00
Sub Total (A)		59,17,06,294.00	36,70,65,463.00
(B) Other deposits and advances:			
Advance Tax/TDS (Net of Provision)- Current Year		81,29,917.00	1,48,46,118.00
Advance Tax/TDS (Net of Provision)- Previous years		22,07,336.00	13,01,766.00
Other Advances	08	59,73,337.90	18,08,127.00
Sub Total (B)		1,63,10,590.90	1,79,56,011.00
Total (A+B)		60,80,16,884.90	38,50,21,474.00

Schedules forming part of Profit and Loss Account for the year ended 31st March 2019			
Particulars	Annex No.	As at 31.03.2019	As at 31.03.2018
Schedule - 14			
Revenue from operations			
Interest on Loans & Advances	09	13,36,46,733.00	10,25,62,963.00
Other Operating Income	10	10,94,237.00	21,05,470.00
Total		13,47,40,970.00	10,46,68,433.00
Schedule - 15			
Other Income			
Interest on Bank Deposits		1,24,765.00	11,65,407.00
Other Income	11	16,65,430.00	2,35,517.00
Total		17,90,195.00	14,00,924.00
Schedule - 16			
Employee Benefit Expenses			
Salaries & Allowances	12	3,89,48,185.00	2,27,95,498.00
Contribution to Provident Funds and Other funds	13	35,92,988.00	20,32,571.00
Staff Welfare Expenses		10,76,857.00	6,98,996.00
Total		4,36,18,030.00	2,55,27,065.00
Schedule - 17			
Financial Costs			
Interest on Unsecured loans		1,80,624.00	-
Interest on Non Convertible Debentures		9,73,455.00	-
Interest on Bank Overdraft		70,62,088.00	51,063.00
Total		82,16,167.00	51,063.00
Schedule - 18			
Depreciation and Amortization Expenses			
Depreciation on Tangible Assets		89,60,880.48	32,40,332.00
Amortization of Intangible Assets		6,27,481.44	4,82,816.00
Total		95,88,361.92	37,23,148.00
Schedule - 19			
Other Expenses			
Audit Fees		2,50,000.00	2,00,000.00
Rent		1,19,33,001.00	67,16,988.00
Rates & Taxes	14	35,01,734.48	20,04,090.00
Printing and Stationery		11,04,813.86	5,64,644.00
Postage and Telephone	15	22,63,753.00	16,42,877.00
Electricity Charges		11,47,014.00	9,01,167.00
Insurance	16	1,84,530.00	1,29,641.00
Advertisement & Business Promotion Expenses	17	6,66,014.00	4,30,104.00
Travelling and Conveyance	18	35,46,770.80	28,70,645.00
Repairs and Maintenance	19	12,15,558.92	9,99,403.00
Legal Charge		5,64,110.00	4,40,255.00
Legal Clerical Charges		1,60,525.00	-
Loss on Auction		11,795.00	16,77,100.00
Professional Charges		25,19,600.00	30,48,850.00
Security Service Charges		19,76,570.00	13,48,965.00
Bank Charges		4,88,445.41	6,11,351.53
Office Expense		15,95,899.85	9,31,341.00
Other Administrative Expense	20	9,45,915.01	9,69,479.00
Director's Sitting Fee		1,35,000.00	1,50,000.00
Total		3,42,11,050.00	2,56,36,901.00
Schedule - 20			
Provisions			
Provision on Standard Asset		5,72,285.00	1,05,322.00
NPA Principal -VL		21,93,945.80	13,60,298.00
NPA Principal -Gold		-	(37,83,700.00)
NPA Principal -Mortgage		(30,00,000.40)	(1,30,000.00)
Provision others		-	(8,28,809.00)
Diminution of Assets		5,48,357.00	13,67,730.00
Bad debts written off		65,72,642.00	64,71,074.00
Total		68,87,229.00	45,61,915.00



AGRO INDUS CREDITS LIMITED
(Formerly Agro Indus Finance and Leasing India Limited)
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2019

21 Interest and Repayment Terms of Long-Term Borrowings - Debentures (Non Convertible) (Secured)

Tenure	Current Year		Previous Year	
	Amount Outstanding	Rate of Interest	Amount Outstanding	Rate of Interest
5 Year	1,65,00,000.00	10.50%	-	-
3 Year	45,00,000.00	10.00%	-	-
Total	2,10,00,000.00		-	

22 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 2019 are as under:

		Gratuity	
		2018-19	2017-18
		Rs	Rs
i)	The amounts recognised in the balance sheet are as follows:		
	Present value of the obligation as at the end of the year	18,03,812.00	12,98,895.00
	Fair value of plan assets as at the end of the year	19,26,767.00	14,12,561.00
	Net liability / (asset) recognised in the balance sheet	(1,22,955.00)	(1,13,666.00)
ii)	The amounts recognised in the Profit and Loss Account are as follows:		
	Service cost	4,88,571.00	5,29,188.00
	Premium Cost / Interest Cost	97,417.00	90,900.00
	Expected Return on Plan Assets	(1,37,962.00)	(1,18,756.00)
	Net actuarial (gain) / loss recognised in the year	(52,514.00)	(1,45,460.00)
	Expense recognised in the Profit and Loss Account of the year	3,95,512.00	3,55,872.00
iii)	Changes in the present value of defined benefit obligation		
	Defined benefit obligation as at 1st April 2018	12,98,895.00	10,94,094.00
	Service cost	4,88,571.00	5,29,188.00
	Benefits Paid	(28,557.00)	(2,69,827.00)
	Premium Cost/Interest Cost	97,417.00	90,900.00
	Actuarial losses / (gains)	(52,514.00)	(1,45,460.00)
	Defined benefit obligation as at 31st March 2019	18,03,812.00	12,98,895.00
iv)	Changes in the fair value of plan assets		
	Fair value as at 1st April 2018	14,12,561.00	14,00,857.00
	Expected return on plan assets	1,37,962.00	1,18,756.00
	Actuarial / (loss) / gains	-	-
	Contributions	4,04,801.00	1,62,775.00
	Benefits paid	(28,557.00)	(2,69,827.00)
	Fair value as at 31st March 2019	19,26,767.00	14,12,561.00
	Assumptions used in the above valuations are as under:		
	Discount rate (%)	7.50	7.50
	Future salary increase (%)	7.00	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 2019 towards the above are Rs 22,79,589.00/- and Rs 12,46,106.00/- respectively.

23 Current assets, Long Term Loans and Advances are subject to confirmation.

24 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.

25 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.

26 Details of provisions during the year :

Particulars	2018-19	2017-18
Provision for Standard Assets	5,72,285.00	1,05,322.00
Provision for Non Performing Assets (Total during the year)	(8,06,055.00)	(25,53,402.00)
Provision for diminution in value of securities	5,48,357.00	13,67,730.00
Total	3,14,587.00	(10,80,350.00)



27 Details of Write Offs during the year:

Particulars	2018-19	2017-18
Bad Debts written off during the year:		
Against provision made in previous year	37,81,690.00	8,28,809.00
Relating to accounts become bad during the year having no provision in earlier years	27,90,952.00	56,42,265.00

28 Contingent liabilities and commitments to the extent not provided for: Nil

29 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 not more than seven years currently shown under the head Current Liabilities and shall be transferred to Investor Education and Protection Fund after the specified period, if no claim is received legally till such date.

30 Related Party Disclosures:

a) Related parties and nature of relationship

i) Key Management Personnel:

- 1 Mr. C.P Sasidharan - Chief Executive Officer
- 2 Mrs. Lakshmi P - Chief Financial Officer
- 3 Mr. Anand V - Company Secretary.

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

Mr. K K Vijayan
 Mr. K Muraleedharan
 Mr. C R Prasanna
 Mr. P B Pradeep Kumar
 Mr. Sreedharan Jayakumar
 Mr. Prakash Damodaran

b) Transactions with Related Parties

PARTICULARS	2018-19	2017-18
Non-Convertible Debentures issued during the financial year 2018-19	2,10,00,000.00	
Interest on Non Convertible Debentures	9,73,455.00	
Interest on Advance Non Convertible Debentures Application Money	24,596.00	
Interest on unsecured Loan from directors	1,56,028.00	
Sitting Fee	1,35,000.00	1,50,000.00
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	35,22,260.00	-	57,68,915.00
2. Other than related parties	68,95,48,431.54	-	48,36,86,784.00
	69,30,70,691.54	-	48,94,55,699.00

Loans and Advances includes Rs. 35,22,260.00/- paid to Mr. Prakash Damodaran as mortgage loan, who is a director of the Company. The loan is secured with the mortgage of Property located in "Sunrise Thrikkakkara Gardens" in Door No. XXII/133, 6th Floor measuring to 157.75 sq.mtrs. , 6.10 ares of land located in the Puthuppallay Village and 14 cents of land located in Puthuppally Village, Kottayam.

d)

Particulars	Amount
Gross Non performing Assets	
a) Related parties	-
b) Other than related parties	4,04,83,872.00
Net Non performing assets	
a) Related parties	-
b) Other than related parties	3,47,25,602.00
Assets acquired on satisfaction of debt	

31 Segment Reporting

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

32 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 componetisation of assets for the purpose of depreciation is not having any material impact at present.



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

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

35 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	3,65,85,600.00	88.16	3,69,77,700.00	89.10
Others	49,14,400.00	11.84	45,22,300.00	10.90
	4,15,00,000.00	100.00	4,15,00,000.00	100.00

36 Retail loan represents Gold loan, Vechile 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 31/03/2019, the Retail loan consist of the of the following:

Loans	Current Year	Previous Year
Gold Loan	38,15,07,843.00	21,55,49,768.00
Vehicle Loan	4,69,16,503.00	7,60,66,998.00
Mortgage Loan	23,00,44,498.00	17,82,35,315.00
SME Loan	3,54,97,897.00	1,96,03,618.00
Total	69,39,66,741.00	48,94,55,699.00

37 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.

38 Asset quality and credit concentration

		Current Year	Previous Year
a)	Percentage of net NPA to net loans and advances		
	Total loans and advances	68,82,08,471.54	48,28,91,374.40
	Total NPA	3,47,25,602.00	5,83,22,865.40
	Total NPA (in %)	5.05	12.08
b)	NPA under Various Categories	Current Year	Previous Year
	Vehicle Loans and Others	3,47,25,602.00	5,83,22,865.00
	Gold Loan	-	-
		3,47,25,602.00	5,83,22,865.00
c)	Amount of provision made during the year (NPA)	(8,06,055)	(25,53,402)
d)	Percentage of Gold Loans to Total Advances	55%	44%
e)	Movement in NPA (Amount ₹)		

39 Previous year figures have been regrouped wherever necessary.

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

For Agro Indus Credits Limited

(K.K.Vijayan)
Director

(CR Prassanan)
Director

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

(Lakshmi P)
Chief Financial Officer

(Anand V)
Company Secretary

Place: Cochin
Date : 04-07-2019



Registered Office : 40/1166, First Floor, Thadikkaran Centre, Palarivattom-682025
CIN - U65910KL1997PLC011088

ANNUAL GENERAL MEETING -28TH SEPTEMBER, 2019 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 22nd 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 : 40/1166, First Floor, Thadikkaran Centre, Palarivattom-682025
ANNUAL GENERAL MEETING -28TH SEPTEMBER, 2019 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 on and at any adjournment thereof.
Signed this day of 2019

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: Door No: 40/1166, First Floor, Thadikkaran Centre
Palarivattom, Kochi - 682025 Ph: 0484 2341288/89
E-mail: admin@agroindus.co.in Web: www.agroindus.co.in