



Board of Directors	: PADHAM J CHALLANI Chairman & Managing Director M.PRAKASHCHAND JAIN, M.M.S Director N.SUBRAMANIAN, B.Com., F.C.A Director M.VISWANATHAN Director PRASAN CHAND CHOPRA Director
Bankers	: ALLAHABAD BANK , T.Nagar Branch BANK OF BARODA , Anna Salai Branch CANARA BANK , Thambu Chetty St. Branch INDIAN BANK , Anna Salai Branch INDIAN OVERSEAS BANK , Mount Road Branch ORIENTAL BANK OF COMMERCE , Pondy Bazaar Branch PUNJAB NATIONAL BANK , Nungambakkam High Road Branch PUNJAB & SIND BANK , Thambu Chetty St. Branch STATE BANK OF INDIA , Overseas Branch, Rajaji Salai UCO BANK , T.Nagar Branch UNITED BANK OF INDIA , T.Nagar Branch
Auditors	: M/s. A.KRISHNAMOORTHY & CO Chartered Accountants, 43, Ramaswamy St., T.Nagar, Chennai-600 017. Phone: 91-44-24347260, Fax: 91-44-43560078
Registered Office	: No.15, New Giri Road, T.Nagar, Chennai-600 017. Phone: 91-44-28342111, Fax: 91-44-28341280 E-mail: investors@indoasianfinance.com Website: www.indoasianfinance.com
Shares Listed With	: Bombay Stock Exchange Limited. Mumbai. Madras Stock Exchange Limited. Chennai
Company Share Registry	: M/s. Cameo Corporate Services Limited, Subramanian Buildings, No.1, Club House Road, Chennai- 600 002, Phone: 91-44-28460390-94, Fax: 91-44-283460129. E-mail: investor@cameoindia.com

**NOTICE TO THE SHAREHOLDERS**

NOTICE is hereby given that the Twenty-Second Annual General Meeting of the Members of Indo Asia Finance Limited will be held on Friday the 28th September, 2012 at 10.00 a.m at the Registered Office of the Company at No.15, New Giri Road, T.Nagar, Chennai-600017 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended March 31, 2012, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.N.Subramanian, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and fix their remuneration. M/s.A.Krishnamoorthy & Co., Chartered Accountants, the retiring Auditors of the Company are eligible for reappointment and offer themselves for reappointment.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr.Prasan Chand Chopra who was appointed as Additional Director pursuant to the provisions of section 260 of the Companies Act, 1956 at the meeting of the Board of Directors held on 30.01.2012 with effect from 13.02.2012 and who vacates his office at the conclusion of this Annual General Meeting be and is hereby appointed as Director of the Company, liable to retire by rotation."

**By Order of the Board
For Indo Asia Finance Limited**

Padham J Challani
Chairman

July 30, 2012

Registered Office
No.15, New Giri Road,
T.Nagar, Chennai-600017.

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER. PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. PROXY FORM AND ATTENDANCE SLIP ARE ANNEXED HEREWITH.**
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to the special business to be transacted at the meeting is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday the September 26, 2012 to Friday the September 28, 2012 (both days inclusive) for the purpose of ascertaining the list of members as on the date of ensuing Twenty Second Annual General Meeting.
4. Members are hereby requested to send all correspondence concerning transfers, transmissions, subdivision, consolidation of shares or any other share related matters and/or change in address to the Company's Registrar and Share Transfer Agent.
5. Members desiring to have any clarification on account are requested to write to the Company at an early date so as to enable the Company keep the information ready.
6. Members/ proxies should bring the attendance slip duly filled in for attending the meeting and corporate members are requested to send a duly certified copy of the Board resolution/ Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
7. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956, are requested to write to the Company's Registrar for the prescribed form. Nomination form may be downloaded from Company's Website www.indoasianfinance.com
8. Annual Report is available at the website of the Company at www.indoasianfinance.com
9. Members who have not yet encashed their dividend warrants for previous years are advised to forward such warrants to the company for revalidation. Pursuant to the provision of section 205A read with section 205C of the Companies Act, 1956, dividend, which remains unclaimed for a period of seven years, will be transferred to the Investor Education and Protection Fund of the Central Government.
10. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, members holding shares in electronic forms are therefore requested to submit the PAN to their Depositories Participant with whom they are maintaining their DEMAT accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agents.



11. Members holding shares in Electronic form may note that Bank particulars registered against their respective Depository Accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of Bank particulars of Bank mandates. Such changes are to be advised only to the Depository Participant of the members.
12. Members holding shares in electronic form are requested to intimate any change in their address or bank mandates to their depository participants with whom they are maintaining their DEMAT accounts.
13. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of Notice/Documents including Annual Report can be sent by E-mail to its members. To support this Green Initiative of the Government in full measure, members who have not registered their E-mail addresses, so far, are requested to register their E-mail addresses, in respect of electronic holding with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their E-mail IDs with M/s. Cameo Corporate Services Limited, "Subramanian Buildings", 1, Club House Road, Chennai - 600 002.
14. Members who are holding shares in more than one folio under physical form may approach the Company's Share Transfer Agents for consolidation with respective details.
15. Information pursuant to clause 49 of the listing agreement in respect of proposed appointment/ re-appointment of directors.

DIRECTORS

1	Name	N. Subramanian
	Date of Birth & Age	28.03.1941, 71 years
	Nationality	Indian
	Date of Appointment on the Board	29.03.2006
	Qualifications	B.Com., F.C.A.,
	Expertise in functional area	A practicing Chartered Accountant with over 40 years of professional experience in the field of Finance & Management
	No of Shares held	300 (Three Hundred)
	List of Directorship held In other Companies	NIL
	Chairman/Member of the Committees of the Board of other Companies in which he is Director as on 31.03.2012	NIL
	PAN	AOWPS6898 E



2	Name	PRASAN CHAND CHOPRA
	Date of Birth & Age	14.04.1966, 46 years
	Nationality	Indian
	Date of Appointment on the Board	13.02.2012
	Qualifications	B.Com.,
	Expertise in functional area	He has more than 20 years of professional experience in Securities Market
	No of Shares held	NIL
	List of Directorship held In other Companies	NIL
	Chairman/Member of the Committees of the Board of other Companies in which he is Director as on 31.03.2012	NIL
	PAN	AABPC4769R

Explanatory Statement

Pursuant to Section 173 (2) of the Companies Act, 1956

Item No. 4:

The Board of Directors at their meeting held on 30th January, 2012 had appointed Mr.Prasan Chand Chopra as an additional Director with effect from 13th February, 2012, pursuant to the provisions of section 260 of the Companies Act, 1956 and with Article No.9 of the Articles of Association of the Company who shall hold office as such till the conclusion of the ensuing Annual General Meeting. In terms of Section 257 of the Companies Act, the company has received a notice in writing from a member signifying his intention to propose the candidature of Mr.Prasan Chand Chopra for the office of Director of the Company. The Board considers that it is in the interest of the Company to continue to have the benefit of rich experience and expertise of Mr.Prasan Chand Chopra and accordingly the Board of Directors recommend the resolution as set out in item No.4 of the notice convening Annual General Meeting for approval of the shareholders.

Except Mr.Prasan Chand Chopra, being the appointee no other Directors is interested in the aforesaid resolution.

**By Order of the Board
For Indo Asia Finance Limited**

Padham J Challani
Chairman

July 30, 2012

Registered Office
No.15, New Giri Road,
T.Nagar, Chennai-600017.

**DIRECTORS' REPORT**

To The Members,

Your Directors are pleased to present the Twenty-Second Annual Report of your company with the audited financial statements for the year ended 31st March, 2012.

Financial Results :**(₹.in Lakhs)**

	For the year ended	
	31.03.2012	31.03.2011
INCOME :		
Income from operations	836.30	752.40
Other income	0.27	2.17
Total (A)	836.57	754.57
EXPENDITURE :		
Financial Expenses	545.82	477.38
Establishment expenses	64.96	70.51
Administrative & Other Expenses	111.84	150.40
Provisions & Write off	26.45	0.47
Depreciation	18.15	14.19
Total (B)	767.22	712.95
PROFIT BEFORE TAX	69.35	41.62
Less Taxation - Current	18.22	12.86
Earlier Years	10.39	0
PROFIT AFTER TAX	40.74	28.76
Balance as per last Balance Sheet brought forward	40.77	32.01
Profit Available for Appropriation	81.51	60.77
The Appropriations are :		
- Transfer to General Reserve	12.50	10.00
- Transfer to Special Reserve	12.50	10.00
- Balance carried forward	56.51	40.77

**BUSINESS OUTLOOK AND FUTURE PROSPECTS**

The Gross Income during the year was Rs.8.37 crores as against 7.55 crores in the previous year. Profit after tax for the current year is Rs.40.74 lakhs against Rs.28.76 lakhs in the previous year up by 41.66%. Net Stock on Hire grew marginally by Rs.2.84 Crores to 41.02 crores from 38.18 crores. The marginal increase in Income and Profit is mainly due to paucity of funds. The sanctioning of the additional limit, by the Consortium of Bankers, to the extent of Appraised Limit of Rs.40.50Crores was not materialized, for technical reasons, during the current financial year also. Because of this the Company was forced to go slow on disbursements and enter into Franchise operations to meet the demand.

The Shareholders of the Company in order to augment the liquid resources for the development of business of the Company at the previous Annual General Meeting held on 28th September, 2011 had declined the Board of Directors' recommendation to declare dividend @3%, as a result the provision made for Rs.31.48 Lakhs during the year has re-transferred to Profit and Loss Account during the year under report.

The franchisee arrangement with Shriram Transport Finance Company Limited, on 50:50 risk and reward sharing basis is in force and entered its seventh year of operation.

The Company has also entered Franchise Agreement with L&T Finance Limited on January 3,2012 and started rendering Fee based services.

However, the main thrust continues on individual Pre-owned Commercial Vehicle Finance directly through the Company's own operation.

The company considering that the present book value of the assets not representing the Fair Value and also to enhance the quality of the assets which will contribute the future revenue of the company, has during the year under review revalued the Land situated at GN Chetty Road T.Nagar Chennai and entered into a Joint Venture Agreement with a reputed builder to develop the said land into a commercial complex.

DIVIDEND

In order to conserve the liquid resources for the development of business of the Company and to enhance Shareholders value, your Directors have not recommended any Dividend for the year ended 31st March, 2012. However to enhance the Reserves, the Board of Directors has voluntarily transferred a sum of Rs.12.50 lakhs to the General Reserve.

RESOURCE MOBILISATION**Public Deposit**

The Company has accepted fixed deposits amounting to Rs.4,55,000/- during the year. The total deposits outstanding as on March 31, 2012 was Rs. 5,35,000/- as compared to Rs.1,97,053/- as on March 31, 2011. There were unclaimed matured deposits of Rs.30,000/- representing three depositors as at March 31, 2012, which has been paid subsequently in June, 2012. The Public Deposit outstanding as on 30th June, 2012 is NIL. However, the company continues to hold Rs.2.00 lacs as SLR Security invested in A.P State Development Loan maturing in the year 2016.

Bank Finance

Your Company's bankers continue to extend their support, providing loans at competitive rates. The maximum amount outstanding at any time was Rs.29.75 Crores and the amount outstanding at the end of the year was Rs.29.72 Crores. The working capital credit limits of your Company were renewed at Rs.29.60 Crores.

**CREDIT RATING**

Your company has been assigned BB+ (Double B Plus) rating by CARE for Bank facilities as well as Fixed Deposit programme. Instruments with this rating are considered to offer moderate risk of default regarding timely servicing of obligations.

CAPITAL ADEQUACY RATIO :

Your Company's total Capital Adequacy Ratio (CAR) , as of March 31, 2012 stood at 33.05% of the aggregate risk weighted assets which is well above the regulatory minimum of 15%.

STATUTORY STATEMENTS**Conservation of Energy, Technology absorption, Foreign Exchange Earnings and Outgo and Particulars of Employees :**

Indo Asia Finance Limited does not carry on any manufacturing activities and accordingly the provision to furnish information as per Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, particulars relating to Conservation of energy, Research and Development and Technology Absorption is not applicable.

There are no foreign exchange earnings and out go during the year under review.

Particulars of employees in terms of requirement of the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 are not enclosed as there are no employees who have been paid salary in excess of prescribed limits.

Information pursuant to Department of Company Affairs Notification dated May 15, 1995, relating to the Balance Sheet Abstract and Company's General Business Profile is given in the Annual Report for information of the shareholders.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement u/s 217 (2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, your Directors to the best of their knowledge and belief

Confirm that :

- a) In the preparation of the Annual Accounts, for the year 2011-12, the applicable Accounting Standards have been followed and there are no material departure;
- b) They have 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 of the Company for the year;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act so as to safeguard the assets of the company and to prevent and detect fraud and other irregularities and
- d) They have prepared the annual accounts on a going concern basis.

**INTERNAL CONTROLS AND THEIR ADEQUACY:**

The internal control systems are commensurate to the size of the operation of the Company. Whenever it is required, the systems and procedures are upgraded to suit the changing business needs.

STATEMENT PURSUANT TO LISTING AGREEMENT

The Companies Securities are listed with The Bombay Stock Exchange Limited, Mumbai and The Madras Stock Exchange Limited, Chennai and the Company has paid the respective Annual Listing Fees up to date and there are no arrears.

CORPORATE GOVERNANCE

A detailed report on **Corporate Governance** as updated with the particulars of this Financial year, as per the directions from SEBI is annexed to this report (Annexure-A) together with **Report of the Auditors**, on the compliance with the said code and a Report of the **Management Discussion and Analysis** is also annexed separately.

DIRECTORATE

In compliance with the provisions of the Companies Act, 1956 and in accordance with the Article 9 of the Company's Articles of Association, Mr.N.Subramanian, retires at this Annual General Meeting and being eligible, offers himself for re-appointment.

Further the Board of Directors at their meeting held on 30.01.2012 had appointed Mr.Prasan Chand Chopra as an Additional Director with effect from 13.02.2012, pursuant to the provisions of Section 260 of the Companies Act, 1956, read with Article No.9 of the Articles of Association of the Company to hold office as such till the conclusion of the ensuing Annual General Meeting. In terms of Section 257 of the Companies Act, the Company has received a Notice in writing from a member signifying his intention to propose the candidature of Mr.Prasan Chand Chopra for the Office of Director of the Company. Your Directors recommend the resolution as set out in item No.4 of the notice convening Annual General Meeting for approval of the shareholders. In spite of best effort the Company could not able to appoint a full time Company Secretary as required under section 383 A of the Companies Act.

Brief resume of the Directors, seeking re-appointment, nature of their expertise as stipulated under clause 49 of the listing agreement with the Bombay Stock Exchange Limited, is appended to the notice convening the Annual General Meeting.

Disclosures of Particulars of Constituting "Group" pursuant to Regulation 3(1)(e) of the SEBI(Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

Pursuant to information from the promoters, the name of the promoters and entities comprising group as defined under Monopolies and Restrictive Trade Practice (MRTP) Act, 1969, are as under for the purpose of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997. (As at 31st March, 2012).



MR. AASHISH CHOPRA	MR. ABISHEK CHOPRA	MR. ADITYA CHOPRA	MR. AJEETH P CHALLANI
MS. AMRA BAI J	MS. J. P. SWAPNA	MR. JAWARILAL JAIN R	MS. LALITHA J.A
MR. M. PRAKASHCHAND JAIN	MS. MAMTHA A MUTHA	MS. P. KANTHA CHOPRA	MS. P. SHOBA
MR. JAWARILAL PADAM CHAND CHALLANI			

AUDITORS

The retiring auditors, M/s A Krishnamoorthy & Co, Chartered Accountants have expressed willingness to continue in office, if appointed. They have furnished to the Company a certificate of their eligibility for appointment as auditors, pursuant to section 224 (1B) of the Companies Act, 1956.

The Audit committee and the Board of Directors recommend the re-appointment of M/s A Krishnamoorthy & Co, Chartered Accountant as Auditors for a further period of one year and to fix their remuneration.

The Auditors Report to the Members does not contain any qualification or adverse remarks.

ACKNOWLEDGMENTS

Your directors gratefully acknowledge the support and co-operation extended by all the shareholders, depositors, customers, vehicle manufacturers, dealers, Government agencies, Bankers, Franchisers and all other associated to your Company during the year and look forward to their continued support.

Above all, your directors place on record their appreciation of the dedication and commitment displayed by the employees of the Company, thus enabling it to report reasonable performance during the tough period.

For and on behalf of the Board
For Indo Asia Finance Limited

Padham J Challani
Chairman

July 30, 2012

Registered Office
No.15, New Giri Road,
T.Nagar, Chennai-600017.