



# Kabirdas Investments Limited

CIN: L65993WB1974PLC157598

Azimganj House, 7 Camac Street

Unit No-3B, 5<sup>th</sup> Floor, Kolkata-700017

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[www.kabirdasinvestmentslimited.com](http://www.kabirdasinvestmentslimited.com)

## DIRECTORS' REPORT

To,

The Shareholders,

Your Directors submit their 44<sup>TH</sup> Annual Report together with the Audited Statements for the Financial Year ended on 31<sup>st</sup> March, 2018.

### FINANCIAL RESULTS

The summarized financials of your Company is given in the table below.

(In "Rs.")

Particulars	2017-2018	2016-2017
Total Income	1,48,04,738	2,495,297
Profit/(Loss) Before Interest and Depreciation & Taxation (EBITA)	1,31,42,791	897,999
Finance Charges	-	-
Gross Profit	1,31,42,791	897,999
Depreciation	-	-
Net Profit/(Loss) Before Tax	1,31,42,791	897,999
Provision for Tax (including deferred tax)	(31,97,150)	(171,114)
MAT Credit Entitlement	-	171,114
Net Profit After Tax	99,45,641	897,999
Profit/(Loss) brought forward from previous year	47,461,227	46,743,228
Adjustment for Income Tax	-	-
Transfer to Statutory Reserve	19,89,200	180,000
Profit/(Loss) carried to Balance Sheet	5,54,17,668	47,461,227

### STATE OF AFFAIRS AS

The Company registered with the Reserve Bank of India as a Non – Banking Financial Company and engaged in the financial activities as permitted. There has been no change in the business of Company during the financial year under review. Further, there is no material Changes affecting the financial position of the company between the year ended to which financials relates and to the date of this report. In the running financial year your directors are taking all reasonable steps to increase the business of the company without compromising the Standard rules of the company to evaluate the borrowers before lending fresh money to either existing or to new customers.

**DIVIDEND AND RESERVES:**

In View of the business growth, your Directors deem it proper to preserve the resources of the company for its activities and therefore, do not propose any dividend for the Financial Year under review. The Company Transferred 20% of Profit after tax to Special Reserve , in term of Section 45 (1C) of Reserve Bank of India Act , 1934, during the Financial year 2017 – 2018.

**DIRECTORS & KEY MANAGERIAL PERSONAL**

As per the recommendation of Nomination & Remuneration Committee Mr. Kanti Chand Sipani, Director of the Company, retires from office by rotation and being eligible offers himself for re-appointment pursuant to the provision of the Companies Act, 2013 and Articles of Association of the Company.

None of the Directors of the Company is disqualified for being appointed as a Director, as specified in Section 164(2) of the Companies Act, 2013.

All Independent Directors have given declaration that they meet the criteria of Independence as laid by provision of Section 149(6) of the Companies Act, 2013.

**BOARD EVALUATION**

The Board Evaluation was carried out on the basis of Various Factors as Composition of Board and its Committees, its functioning, performance of Specific duties and obligations. The performance evaluation of Independent Directors was done by the entire Board of Directors (excluding the director being evaluated). The performance on Non Independent Directors was carried out at separate meeting of Independent Directors. The Board of Directors expressed their Satisfaction with the Evaluation.

**BOARD MEETINGS:**

The Board of Directors met four times during the financial year ended on 31<sup>st</sup> March, 2018. The Board of Directors of the Company had met not exceeding with a maximum time gap of one hundred and twenty days as per Section 173 of the Companies Act, 2013.

The meetings were held on:

(1)30.05.2017; (2) 09.08.2017; (3)08.11.2017; (4) 30.01.2018;

**CAPITAL/FINANCE:**

During the year, the Company has not allotted any Equity Shares under rights/ preferential/ private placement basis.

## **CONSTITUTION OF VARIOUS COMMITTEES AS PER COMPANIES ACT, 2013**

### **(a) AUDIT COMMITTEE**

The Audit committee consists of Smt. Payal Bhalotia, Shri Kanti Chand Sipani and Shri Sanjay Kumar Agarwal as Non-Executive Independent Directors and Shri Pratap Singh Bhutoria Director of the Company.

### **(b) NOMINATION & REMUNERATION COMMITTEE**

The Nomination & Remuneration committee consists of Ms. Payal Bhalotia and Shri Kanti Chand Sipani as Independent Directors and Shri Pratap Singh Bhutoria Director of the Company.

The terms of reference, inter alia, includes formulating criteria for determining qualification, positive attributes and independence of directors, carrying out evaluation of Independent Directors and the Board, recommending to Board policy relating to remuneration of Directors, Key Managerial Personnel (KMP) and other employees, carrying out other function as is mandated by the Board from time to time and to perform such other functions which is necessary or appropriate for the performance of duties.

The abridged policy framed by Nomination & Remuneration Committee is as follows-

The company considers its human resources as its invaluable asset and harmonizes the aspirations of the same which are consistent with the goals of the company. The level and composition of Directors, KMP and Senior Management will be of the nature required to run the company smoothly and adequate to improve productivity and attract, retain and motivate them. The committee shall determine and recommend their appointment, term of service, qualifications and cessation as per statutory requirement and ethical standards of probity, rectitude, qualification, competence and experience of concerned person further subject to Board's approval.

The relationship of remuneration to performance is clear and meets appropriate performance benchmarks. The remuneration involve a balance between fixed and incentive pay reflecting short and long-term performance to achieve the Company's target. Members will elect the Chairman of the Committee. A member is not qualified to be present when his remuneration or performance is discussed or evaluated respectively. Matters shall be decided by majority of votes of Members present and voting and such decision shall for all purposes be deemed decision of the Committee. In case of equality of votes, the Chairman of the meeting will have a casting vote.

Non-Executive Directors may be remunerated in the form of sitting fees for attending the Board Meeting as fixed by the Board occasionally. While deciding remuneration of Managing Director and Executive Directors the committee considers pay and comprehensive factors of industry and concerned person so as to remunerate them fairly and reasonably along with some perquisites, allowances and the likes as per the rules of the company, subject to statutory requirements.

The remuneration of the other employees is fixed occasionally as per the guiding principle outlined above and considering industry standard and cost of hiring. In addition to basic salary they are also provided other benefits as per scheme of the company and statutory requirements where applicable.

### **(c) STAKEHOLDER RELATIONSHIP COMMITTEE**

The Stakeholder Relationship committee consists of Shri Sanjay Kumar Agarwal and Shri Kanti Chand Sipani as Independent Directors and Shri Pankaj Kumar Bhutoria, Managing Director of the Company.

Shri. Vinay Kanodia is the Compliance Officer of the Committee.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

In compliance with Section 134 of the Companies Act, 2013; Director confirms that:-

- i) In preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) In preparation of Annual Account, your Directors have selected relevant accounting policies and applied them consistently made judgements 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 financial year 2017-18 and of the profit of the company for the period.
- iii) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) Company has laid down internal financial controls and that such internal financial controls are adequate and were operating effectively.
- v) Company has laid down systems to ensure compliance with the provisions of all applicable law and that such systems are adequate and operating effectively.
- vi) Company has prepared the annual accounts on a going concern basis.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate internal control procedures, which are well supplemented by surveillance of Internal Auditors.

### **APPOINTMENT AND MANAGERIAL REMUNERATION**

The ratio of remuneration of Mr. Pankaj Kumar Bhutoria, Managing director, to the median remuneration of the employees of the company, for financial year 2017-2018 is 1.89 times. There is no increase in remuneration of Key Managerial Personnel in the financial year 2017-2018. No other Director is drawing any remuneration from the Company.

There is increase in the Median Remuneration of the employees of the company for the Current financial year 2017-2018 compare to Previous Financial Year 2016-2017.

There are 3 (Three) employees as on as March 31<sup>st</sup>, 2018.

The Factors considered while recommending increase in remuneration are financial

Performance of the Company, Comparison with peer Companies, industry benchmarking, Contribution made by the employee and regulatory guidelines as applicable to Managerial Personnel. The Variables pay is as per police of the Company.

Total Market Capitalization of the Company as per last Closing price is 39.57 lakhs and there is no change.

#### **PERSONNEL**

Your Directors would like to put on record their appreciation of the sincere and dedicated services rendered by the loyal employees of the Company. There were no employees drawing remuneration of or in excess of the amount prescribed under the Companies Act, 2013.

#### **STATUTORY AUDITORS**

M/s. B. Chhawchharia & Co., (FRN 305123E), Chartered Accountant, Statutory Auditor of the Company, were appointed as Statutory Auditor for a term of 5 (five) consecutive years at the 40<sup>th</sup> Annual General Meeting (AGM) held on 29, September, 2014 to hold the office till the conclusion of the 45<sup>th</sup> AGM of the Company, subject to ratification of their appointment at every AGM, in terms of the first proviso to Section 139 of the Companies Act, 2013, read with rule 3(7) of Companies (Audit and Auditors) Rules, 2014.

In this regard the Company has received a letter from the Auditor conforming that they are eligible for appointment as Auditor of the Company under Section 139 of the Companies Act, 2013 and meet the criteria for appointment specified under Section 141 of the said Act.

Based on the recommendation by the Audit Committee, the board of Directors recommend the ratification of appointment of M/s. B.Chhawchharia & Co., (FRN 305123E), Chartered Accountant, Statutory Auditor of the Company by the Shareholders at the ensuing AGM.

The Notes to Accounts referred to the Auditors Report are self explanatory and hence do not call for further explanation.

#### **COST AUDITORS**

Company is not required to conduct any cost audit in pursuance to the provisions of Section 148 of the Companies Act, 2013 read with rules framed there under.

#### **SECRETARIAL AUDIT**

In terms of Section 204 of the Act and Rules made there under, Shri Pravin Kumar Drolia, Practicing Company Secretary have been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure B** to this report. The report is self-explanatory and do not call for any further comments.

#### **RELATED PARTY TRANSACTIONS & SUBSIDIARY COMPANY & ASSOCIATES COMPANY**

The Company has not entered into any transaction with related parties as requested in the Section 188 of the Companies Act, 2013.

The Company has the following Associates Company: Faith Suppliers Pvt. Ltd., Kinetic Vanijya Pvt. Ltd., N Marshall Hitech Engineers Pvt. Ltd.;

## **RISK MANAGEMENT POLICY**

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically.

## **DEPOSITS**

Your Company has not accepted any deposits from public in terms of Section 73 of the Companies Act, 2013.

## **LISTING ON STOCK EXCHANGES**

The Shares of Company are listed at The Calcutta Stock Exchange, \*The Delhi Stock Exchange and The Metropolitan Stock Exchange of India Limited (MCX-SX).

\*Delhi Stock Exchange has been de-recognised by the SEBI, so listing status of Company's Securities from the said exchange become delisted with the date of notification of SEBI.

The annual listing fee has been paid to the Stock Exchanges and there is no outstanding amount payable to the exchange.

## **ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The Company being a Non - Banking Financial Company, particulars required to be furnished by the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption is not applicable. Foreign exchange earning & expenditure - NIL

## **CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

In terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 your Company has adopted the Code of Conduct for the Prevention of Insider Trading.

## **VIGIL MECHANISM**

The Company has established Vigil Mechanism for Directors and employees to report their genuine concerns and provide adequate safeguard against their victimization as provided in Section 177 of the Companies Act, 2013 and rules made there under. It has been posted to Company's website [www.kabirdasinvestmentslimited.com](http://www.kabirdasinvestmentslimited.com)

## **EXTRACT OF ANNUAL RETURN**

The detail forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure - A**.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Detail of Loans, Guarantees and Investments covered under the provision of Section 186 of the companies Act, 2013 are given in the notes to the Financial Statements.

## **DEMATERIALIZATION OF SHARES**

81.70 % of the company's paid up Equity Share Capital in dematerialized form as on 31<sup>st</sup> March 2018 and balance 18.30% is in physical form. The Company's Share Transfer Agents is " M C S Share Transfer Agent limited", having its registered office at 12/1/5 Manohar Pukur Road , Kolkata -700026.

## **GENERAL**

The other disclosures, not commented upon in this report pursuant to Section 134 of the Companies Act, 2013 read with rules, are not applicable to the Company for the financial year under review.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation and co-operation received from the Financial Institution, Banks, Government Authorities and Shareholders during the year under review. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable teamwork, exemplary professionalism and enthusiastic contribution during the year.

**For and on behalf of the Board  
Kabirdas Investments Limited**

*Pankaj Kumar Bhutoria*      *K.C. Sipani*

P.K. Bhutoria  
(Managing Director)

K.C Sipani  
(Director)

### **Registered Office:**

7, Camac Street, Azimganj House,  
5<sup>th</sup> Floor, Unit No. 3B,  
Kolkata - 700017

**Date : 29/05/2018**

**Place : Kolkata**

**Independent Auditor's Report**

**To the Members of  
KABIRDAS INVESTMENTS LIMITED**

**Report on the Financial Statements**

1. We have audited the accompanying financial statements of KABIRDAS INVESTMENTS LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements, that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act; safeguarding the assets of the Company; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. 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.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls 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.





Chartered Accountants

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

**Opinion**

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

**Report on Other Legal and Regulatory Requirements**

9. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by Section 143(3) of the Act, we report that:
- 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;
  - 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;
  - the financial statements dealt with by this report are in agreement with the books of account;
  - In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
  - On the basis of the written representations received from the directors as on 31 March 2018 and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls over financial reporting (IFCoFR) of the Company and the operating effectiveness of such controls refer to our separate report in Annexure 'B'.
  - with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - the Company does not have any pending litigations which would impact its financial position;
    - the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
11. According to the information and explanations given to us and on the basis of test checks carried out by us during the course of the audit of the Company, our reports on the matters specified in Para 3A and 3C of the Master Direction - Non-Banking Financial Companies Auditors' Report (Reserve Bank) Directions, 2016 are as follows:
- The Company is engaged in the business of non-banking financial institution and has obtained a Certificate of Registration from the Reserve Bank of India;
  - Based on the information and explanations given to us, the Company is entitled to continue to hold the Certificate of Registration in terms of its asset/income pattern as on 31<sup>st</sup> March 2018;

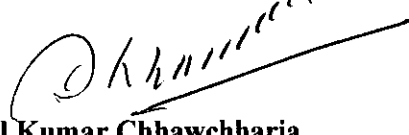


Chartered Accountants

- (iii) The Company is meeting the net-owned fund requirement as laid down in the Master Directions issued by the Reserve Bank of India;
- (iv) The Board of Directors of the Company has passed a resolution for not accepting any public deposit;
- (v) The Company has not accepted any public deposit during the year;
- (vi) The Company has complied with the prudential norms relating to income recognition, income on investments, accounting for investments, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company – Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016;
- (vii) Based on the information and explanations given to us, the Company has not been classified as a NBFC Micro Finance Institution (MFI) as defined in the Non-Banking Financial Company Non-Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016.

Kolkata  
May 29, 2018

**For B Chhawchharia & Co**  
**Firm Registration No.: 305123E**  
*Chartered Accountants (*

  
**Sushil Kumar Chhawchharia**  
Partner  
M. No. 008482



## Annexure A to the Auditor's Report

**The Annexure referred to in Independent Auditor's Report of even date to the members of KABIRDAS INVESTMENTS LIMITED, on the financial statements for the year ended 31<sup>st</sup> March, 2018**

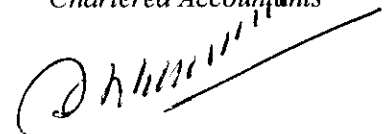
Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has not granted any loan, secured or unsecured to companies, firms, LLP or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- (iv) The relevant provisions of sections 185 and 186 of the Act in respect of loans, investments, guarantees, and security are not applicable to the Company. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) To the best of our knowledge and belief, the Central Government has not prescribed maintenance of cost records pursuant to Section 148 of the Companies Act, 2013 and Rules made for any of the products of the Company. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding on the year-end for a period of more than six months from the date they became payable.  
(b) There are no dues in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The Company has no loans or borrowings payable to a financial institution or a bank or government and no dues payable to debenture-holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.
- (ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



- (xi) Managerial remuneration has been paid (and)/ provided by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. 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 section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non –cash transactions with directors or persons connected with him.
- (xvi) The company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the company.

**For B Chhawchharia & Co**  
**Firm Registration No.: 305123E /**  
*Chartered Accountants*



**Sushil Kumar Chhawchharia**  
Partner  
Membership No. 008482

Kolkata  
May 29, 2018



## **Annexure B to the Auditor's Report**

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

1. In conjunction with our audit of the financial statements of KABIRDAS INVESTMENTS LIMITED ("the Company") as of and for the year ended 31st March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

#### **Management's Responsibility for Internal Financial Controls**

2. 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 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 the 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 Act.

#### **Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. 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 IFCoFR.

#### **Meaning of Internal Financial Controls over Financial Reporting**

6. A company's IFCoFR 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 IFCoFR 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**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

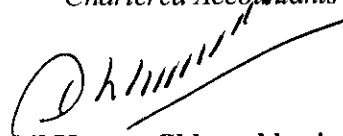
### **Opinion**

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

Kolkata  
May 29, 2018



**For B Chhawchharia & Co**  
**Firm Registration No.: 305123E**  
*Chartered Accountants*

  
**Sushil Kumar Chhawchharia**  
Partner  
Membership No. 008482

**KABIRDAS INVESTMENTS LIMITED**Balance Sheet as at 31<sup>st</sup> March, 2018

	Note	As at 31st March, 2018		As at 31st March, 2017	
		₹	₹	₹	₹
<b><u>EQUITY &amp; LIABILITIES</u></b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	2	39,57,170		39,57,170	
(b) Reserves & Surplus	3	9,33,90,348	9,73,47,518	8,34,44,707	8,74,01,877
<b>Current Liabilities</b>					
(a) Other Current Liabilities	4	3,56,868		4,04,187	
(b) Short-term Provisions	5	33,59,650	37,16,518	1,71,114	5,75,301
<b>TOTAL</b>			<b>10,10,64,036</b>		<b>8,79,77,178</b>
<b><u>ASSETS</u></b>					
<b>Non-Current Assets</b>					
(a) Non-Current Investments	6	2,25,03,773		2,25,03,773	
(b) Long term Loans and Advances		25,000	2,25,28,773	25,000	2,25,28,773
<b>Current Assets</b>					
(a) Current Investments	7	75,99,800		5,46,84,369	
(b) Cash and Cash equivalents	8	14,89,783		5,71,684	
(c) Short-term Loans and Advances	9	6,94,45,680	7,85,35,263	1,01,92,352	6,54,48,405
<b>TOTAL</b>			<b>10,10,64,036</b>		<b>8,79,77,178</b>
Significant Accounting Policies	1				

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

For and on behalf of the Board

**For B Chhawchharia & Co.**  
Firm Registration No.: 305123E  
Chartered Accountants

*Sushil Kumar Chhawchharia*  
Sushil Kumar Chhawchharia  
Partner  
M. No. 008482

Kolkata  
May 29, 2018



*Pankaj Kumar Bhutoria*  
Pankaj Kumar Bhutoria  
Managing Director  
(DIN: 01128602)

*M. S. Sharma*  
Madhusudan Sharma  
Chief Financial Officer

*Kanti Chand Sipani*  
Kanti Chand Sipani  
Director  
(DIN: 00028548)

*Vinay Kanodia*  
Vinay Kanodia  
Company Secretary

**KABIRDAS INVESTMENTS LIMITED**Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2018

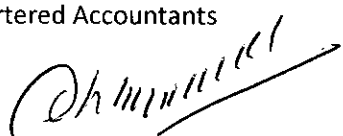
	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
		₹	₹
I. Revenue from Operations	10	35,63,034	9,863
II. Other Income	11	1,12,41,704	24,85,434
III. Total Revenue (I + II)		<b>1,48,04,738</b>	<b>24,95,297</b>
IV. Expenses:			
(a) Employee Benefits Expense	12	8,25,896	9,20,108
(b) Other expenses	13	8,36,051	6,77,190
Total expenses		<b>16,61,947</b>	<b>15,97,298</b>
V. Profit before Tax (IV - V)		<b>1,31,42,791</b>	<b>8,97,999</b>
VI. Tax Expenses			
(a) Current Tax		31,97,150	1,71,114
MAT Entitlement		-	(1,71,114)
(b) Deferred Tax		-	-
VII. Profit/(Loss) for the Period (V - VI)		<b>99,45,641</b>	<b>8,97,999</b>
VIII. Earning per Equity Share (nominal value of share Re.1)			
(a) Basic	16	2.51	0.23
(b) Diluted	16	2.51	0.23

The accompanying notes are an integral part of the financial statements

As per our report of even date

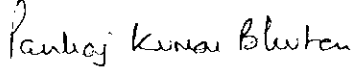
For and on behalf of the Board

For B Chhawchharia & Co.  
Firm Registration No.: 305123E  
Chartered Accountants

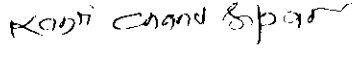
  
Sushil Kumar Chhawchharia  
Partner  
M. No. 008482

Kolkata  
May 29, 2018



  
Pankaj Kumar Bhutoria  
Managing Director  
(DIN: 01128602)

  
Madhusudan Sharma  
Chief Financial Officer

  
Kanti Chand Sipani  
Director  
(DIN: 00028548)

  
Vinay Kanodia  
Company Secretary



**KABIRDAS INVESTMENTS LIMITED**
**Cash Flow Statement for the year ended 31<sup>st</sup> March 2018**

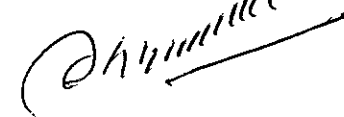
	31st March, 2018	31st March, 2017
	₹	₹
<b>Cash flow from operating activities</b>		
Net Profit/(loss) before tax	1,31,42,791	8,97,999
Provision on Standard Asset	1,62,500	-
Loss/(profit) on sale of Investments	(1,10,84,204)	(24,85,434)
Operating profit before working capital changes	<b>22,21,087</b>	<b>(15,87,435)</b>
<b>Movements in working capital :</b>		
Increase/(decrease) in other current liabilities	(47,319)	4,40,793
Decrease/(increase) in loans and advances/trade receivables	(5,53,79,200)	(1,01,47,684)
<b>Cash generated from / (used in) operations</b>	<b>(5,32,05,432)</b>	<b>(1,12,94,325)</b>
Direct taxes paid/Adjusted (net of refunds)	(40,45,242)	-
<b>Net Cash flow from / (used in) operating activities (A)</b>	<b>(5,72,50,674)</b>	<b>(1,12,94,325)</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale/ (purchase) of current investments (Net)	5,81,68,773	1,96,92,389
Proceeds from sale/ (purchase) of long-term investments (Net)	-	(79,54,053)
<b>Net Cash flow from / (used in) investing activities (B)</b>	<b>5,81,68,773</b>	<b>1,17,38,336</b>
<b>Cash flow from financing activities</b>	-	-
<b>Net Cash flow from / (used in) financing activities (C)</b>	-	-
Net increase/(decrease) in cash and cash equivalents (A+B+C)	9,18,099	4,44,011
Cash and cash equivalents at the beginning of the year	5,71,684	1,27,673
<b>Cash and cash equivalents at the end of the year</b>	<b>14,89,783</b>	<b>5,71,684</b>
<b>Components of cash and cash equivalents</b>		
Balances with Banks in Current Account	14,87,608	5,66,829
Cash on hand	2,175	4,855
<b>Total cash and cash equivalents</b>	<b>14,89,783</b>	<b>5,71,684</b>

As per our report of even date

**For B Chhawchharia & Co.**

Firm Registration No.: 305123E

Chartered Accountants

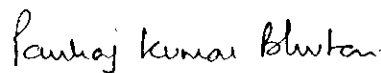

**Sushil Kumar Chhawchharia**

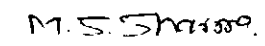
Partner

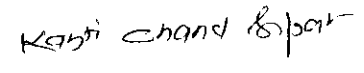
M. No. 008482


Kolkata

May 29, 2018


**For and on behalf of the Board**

**Pankaj Kumar Bhutoria**  
 Managing Director  
 (DIN:01128602)

  
**Madhusudan Sharma**  
 Chief Financial Officer


**Kanti Chand Sipani**  
 Director  
 (DIN:00028548)

  
**Vinay Kanodia**  
 Company Secretary

## 1. Significant Accounting Policies

### 1.1 Basis of Preparation of Financial Statements

The Financial Statements have been prepared under the historical cost convention and in accordance with the provisions of the Companies Act, 2013 and various directions of Reserve Bank of India relating to the Non-Banking Financial Companies. Accounting policies not referred to otherwise are consistent and are in consonance with the generally accepted accounting principles in India.

### 1.2 Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

### 1.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at its cost less any accumulated depreciation, amortization and impairment losses.

Depreciation on tangible assets is provided on written down value on the basis of useful life of the assets and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### 1.4 Impairment of Assets

The carrying amount of assets is reviewed at each balance sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the statement of profit & loss in the year in which the asset is identified as impaired.

### 1.5 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual wise investment basis. Long-term investments are carried at cost. Provision for diminution in the value of long term investments is made on individual investment basis only if such a decline is other than temporary in nature in the opinion of the management.

### 1.6 Employee Retirement Benefits

- (i) Short term employee benefits are charged off at the undiscounted amount in the period in which the related service is rendered.
- (ii) Liability on account of leave entitlement of employees is provided for in accordance with the rules of the Company at current encashable salary rates as at the balance sheet date.
- (iii) Gratuity is accounted for on the basis of current encashable salary rates for every completed year of service in respect of all employees.

### 1.7 Taxes on Income

i. Provision for Income Tax is made on the basis of estimated taxable income for the period at current rates. Tax expense comprises both Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one year and are capable of reversal in one or more subsequent years.

ii. Deferred tax assets are recognised when the Company carries forward unused tax losses/expenses and unabsorbed depreciation. Deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced by the extent that is no longer probable that sufficient taxable profit will be available to allow all or a part of aggregate deferred tax assets to be utilised.

iii. Minimum alternate tax (MAT) paid in accordance with the tax laws gives rise to future economic benefits in the form of adjustment of future income tax liability, and is considered and recognized as an asset in the Balance Sheet when it is probable that such benefits will flow to the Company in future years and same can be measured reliably.

### 1.8 Provisions, Contingent Liabilities and Contingent Assets

i. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

ii. The company makes provision for Standard, Restructured and Non-performing Assets as per the NBFC- Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time. The company also makes additional provision, to the extent considered necessary, and based on the management's best estimate.

iii. Loans and Advances which, as per the management are not likely to be recovered are considered as bad debts and written off.

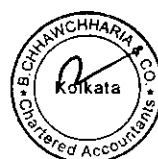
### 1.9 Revenue Recognition

i. Income from loans is recognized on accrual basis, except in the case of non-performing assets where it is recognized, upon realization, as per the Prudential Norms/Directions of RBI, as applicable to NBFC's.

ii. Income from Dividend from Shares of Corporate bodies is accounted when the company's right to receive the dividend is established.

iii. Interest income from Fixed deposits/margin money is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.

iv. All other income is accounted for on accrual basis.



**2. Share Capital****a) Capital Structure**

	31 March, 2018	31 March, 2017
	₹	₹
Authorised		
11,000,000 Equity Shares of Re. 1/- each (Previous year - 11,000,000 Equity Shares of Re. 1/- each)	1,10,00,000	1,10,00,000
	<b>1,10,00,000</b>	<b>1,10,00,000</b>
Issued, Subscribed and Fully Paid Up		
3,957,170 Equity Shares of Re. 1/- each (Previous year - 3,957,170 Equity Shares of Re. 1/- each)	39,57,170	39,57,170
	<b>39,57,170</b>	<b>39,57,170</b>

**b) Share Capital Reconciliation****Equity Shares**

	31 March 2018		31 March 2017	
	Nos.	Amount (₹)	Nos.	Amount (₹)
Opening balance	39,57,170	39,57,170	39,57,170	39,57,170
Issued during the period	-	-	-	-
<b>Closing Balance</b>	<b>39,57,170</b>	<b>39,57,170</b>	<b>39,57,170</b>	<b>39,57,170</b>

**c) Particulars of Equity Shareholders holding more than 5% Shares at Balance Sheet date**

	31 March 2018		31 March 2017	
	No. of shares	% holding	No. of shares	% holding
Avighna Traders Pvt. Ltd.	4,57,958	11.57%	4,57,958	11.57%
Faith Suppliers Pvt. Ltd.	6,39,413	16.16%	6,39,413	16.16%
Kinetic Vanijya Pvt. Ltd.	6,39,413	16.16%	6,39,413	16.16%
Varanasi Commercial Ltd.	5,90,265	14.92%	5,90,265	14.92%

**3. Reserves & Surplus**

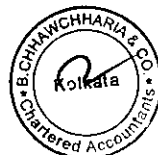
	31 March, 2018	31 March, 2017
	₹	₹
<b>General Reserve</b>		
Balance b/f	64,72,850	64,72,850
Add: Transfer from Investment Allowance Reserve	-	-
<b>Closing Balance</b>	<b>64,72,850</b>	<b>64,72,850</b>
<b>General Reserve on Amalgamation</b>		
Balance b/f	2,33,00,330	2,33,00,330
<b>Reserve Fund (Sec 45IC of RBI Act, 1934)</b>		
Opening Balance	62,09,300	60,29,300
Add: Transfer during the year	19,89,200	1,80,000
<b>Closing Balance</b>	<b>81,98,500</b>	<b>62,09,300</b>
<b>Capital Redemption Reserve</b>		
Balance b/f	1,000	1,000
<b>Surplus/(Deficit) in the Statement of Profit &amp; Loss</b>		
Opening balance	4,74,61,227	4,67,43,228
Add: Profit/(Loss) for the year	99,45,641	8,97,999
	5,74,06,868	4,76,41,227
Less: Income Tax Adjustments	-	-
Less: Transferred to Statutory Reserve	19,89,200	1,80,000
<b>Net Surplus/(Deficit) at the end of the year</b>	<b>5,54,17,668</b>	<b>4,74,61,227</b>
<b>Total Reserves &amp; Surplus</b>	<b>9,33,90,348</b>	<b>8,34,44,707</b>

**4. Other Current Liabilities****Other payables**

Statutory dues payable	6,135	5,542
Others (year end payables)	3,50,733	3,98,645
	<b>3,56,868</b>	<b>4,04,187</b>

**5. Short-term Provisions**

Other Provisions - for Income Tax	31,97,150	1,71,114
Contingent Provision for Standard Asset	1,62,500	-
	<b>33,59,650</b>	<b>1,71,114</b>



	31 March 2018		31 March 2017	
	Qty.	Amount (₹)	Qty.	Amount (₹)
<b>6. Non-Current Investments</b> (fully paid-up; FV Rs 10 each, unless otherwise stated)				
<b>Other Investments</b>				
<b>(a) Investments in Equity Instruments (Quoted)</b>				
Ceeta Industries Ltd.	100	359	100	359
Electrosteel Castings Ltd.	3,15,000	1,04,77,553	3,15,000	1,04,77,553
		<u>1,04,77,911</u>		<u>1,04,77,911</u>
<b>(b) Investments in Equity Instruments (Unquoted)</b>				
<b>Associates</b>				
Kinetic Vanijya Pvt. Ltd.	1,00,000	50,00,000	1,00,000	50,00,000
Faith Suppliers Pvt. Ltd.	1,00,000	50,00,000	1,00,000	50,00,000
N Marshall Hitech Engineers Pvt. Ltd.	1,06,200	4,25,862	1,06,200	4,25,862
<b>Others</b>				
Avighna Traders Pvt. Ltd.	32,000	16,00,000	32,000	16,00,000
		<u>1,20,25,862</u>		<u>1,20,25,862</u>
<b>Aggregate Amount of</b>				
Quoted Investments		1,04,77,911		1,04,77,911
Unquoted Investments		1,20,25,862		1,20,25,862
		<u>2,25,03,773</u>		<u>2,25,03,773</u>
Market value of Quoted Investments		<u>77,02,399</u>		<u>1,08,84,322</u>
		<u>77,02,399</u>		<u>1,08,84,322</u>
<b>7. Current Investments</b> (fully paid-up; FV Rs 10 each, unless otherwise stated)				
<b>(a) Investments in Mutual Funds (Unquoted)</b>				
HDFC Cash Management Fund - TAP- Retail- RP (Growth)	2,11,026.098	75,99,800	3,99,097.605	1,34,77,962
ICICI Prudential Savings Fund - Regular Plan (G)	-	-	4,161.234	10,14,883
Franklin India Income Builder Account - Plan A - G	-	-	8,28,022.035	4,01,91,524
		<u>75,99,800</u>		<u>5,46,84,369</u>
<b>Aggregate Amount of</b>				
Unquoted Investments		75,99,800		5,46,84,369
		<u>75,99,800</u>		<u>5,46,84,369</u>
Repurchase price of Units of Mutual Fund		77,20,749		6,18,38,240
<b>31 March, 2018</b>				
<b>31 March, 2017</b>				
₹				
<b>8. Cash and Cash Equivalents</b>				
Balances with Banks in Current Account			14,87,608	5,66,829
Cash in hand			2,175	4,855
			<u>14,89,783</u>	<u>5,71,684</u>
<b>9. Short-term Loans and Advances</b> (Unsecured, considered good unless otherwise stated)				
<b>Others</b>				
Advances recoverable in cash or in kind or for value to be received			6,53,99,452	1,00,20,252
MAT Credit Entitlement			-	1,71,114
Income Tax Advances & TDS			40,46,228	986
			<u>6,94,45,680</u>	<u>1,01,92,352</u>
<b>10. Revenue from Operations</b>				
Interest income			35,63,034	9,863
			<u>35,63,034</u>	<u>9,863</u>
<b>11. Other Income</b>				
Dividend			1,57,500	-
Net gain/(loss) on Shares (STT Paid)			7,55,052	-
Net gain/(loss) on Sale of Current Investments			1,03,29,152	24,85,434
			<u>1,12,41,704</u>	<u>24,85,434</u>
<b>12. Employee Benefits Expense</b>				
Salaries, Bonus & Allowances			8,25,280	9,19,508
Staff welfare expenses			616	600
			<u>8,25,896</u>	<u>9,20,108</u>



	31 March, 2018	31 March, 2017
	₹	₹
<b>13. Other Expenses</b>		
Advertisement expenses	15,564	16,426
<b>Auditors' Remuneration</b>		
Audit Fees	41,300	40,250
Certification Fees	26,720	26,750
Legal & Professional Charges	66,800	63,325
Listing, Registrar, Depository & Demat expenses	1,55,999	1,65,301
Postage and Courier charges	2,28,100	1,95,747
Printing & Stationery expenses	69,681	97,264
Rates & Taxes	4,650	4,400
Travelling & Conveyance expenses	7,955	5,675
Other expenses	56,782	62,052
Provision for Standard Assets	1,62,500	-
	<b>8,36,051</b>	<b>6,77,190</b>

**14. Segment Reporting**

The Company is predominantly engaged in the business of non-banking financial activities and is a 'Single Segment' Company.

**15. Related Party Disclosures**

As per Accounting Standard 18 'Related Party Disclosures' issued by ICAI, the disclosure of transactions with related parties are given below:

**(i) Names of the related parties and description of relationship**

**List of Related Parties where control exists:**

- 1 Key Management Personnel (KMP) and their**  
Mr. Pankaj Kumar Bhutoria - Managing Director
- 2 Associates**  
Faith Suppliers Pvt. Ltd.  
Kinetic Vanijya Pvt. Ltd.  
N Marshall Hitech Engineers Pvt. Ltd.
- 3 Enterprises where KMP/Relatives of KMP have significant influence or control:**  
Avighna Traders Pvt. Ltd.

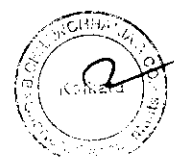
**(ii) Transactions with related parties during the period (excluding reimbursements):**

Sl. No.	Name of the Related Party	31 March, 2018 (₹)	31 March, 2017 (₹)
<b>1</b>	<b>Avighna Traders Pvt. Ltd.</b> <b>Closing Balance:</b> Year end Investments	16,00,000	16,00,000
<b>2</b>	<b>Faith Suppliers Pvt. Ltd.</b> <b>Closing Balance:</b> Year end Investments	50,00,000	50,00,000
<b>3</b>	<b>Kinetic Vanijya Pvt. Ltd.</b> <b>Closing Balance:</b> Year end Investments	50,00,000	50,00,000
<b>4</b>	<b>N Marshall Hitech Engineers Pvt. Ltd.</b> <b>Closing Balance:</b> Year end Investments	4,25,862	4,25,862
<b>5</b>	<b>Pankaj Kumar Bhutoria</b> <b>Transactions:</b> Remuneration Paid	3,00,000	3,00,000

**16. Earning per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	31 March, 2018	31 March, 2017
Net Profit / (Loss) attributable to equity shareholders	99,45,641	8,97,999
Weighted average number of equity shares in calculating EPS	39,57,170	39,57,170



Nominal value of Equity Shares	1	1
Basic & Diluted EPS	2.51	0.23

17. As per the terms of employment, gratuity & other retirement benefits are not payable to the employees of the Company. Hence no disclosure as per Accounting Standard AS 15 on 'Employee Benefits' is required.

**18. Details of dues to micro and small enterprises as defined under the MSMED Act,2006**

On the basis of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006, there are no Enterprises to whom the Company owes dues which are outstanding at year end. This has been relied upon by the Auditors.

19. Particulars as required in terms of Paragraph 18 of NBFC- Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 are given by way of an Annexure to this Financial Statements.

**20. Disclosures for AS 29, 'Provisions, Contingent Liabilities and Contingent Assets' issued by the ICAI:**

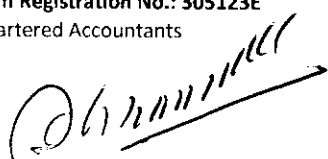
	Provision for Standard Assets
Carrying amount at the beginning of the year	-
Additional provision during the year	1,62,500
Provision written back during the year	-
	1,62,500
Amounts charged against the provisions	-
Carrying amount at the end of the year	1,62,500

21. Previous year figures have been reclassified wherever appropriate to confirm to current year's presentation.

As per our report of even date

For and on behalf of the Board

For B Chhawchharia & Co.  
Firm Registration No.: 305123E  
Chartered Accountants



Sushil Kumar Chhawchharia

Partner  
M. No. 008482  
Kolkata  
29, 2018



*Pankaj Kumar Bhutoria*  
Pankaj Kumar Bhutoria  
Managing Director  
(DIN:01128602)

*M. S. Sharma*  
Madhusudan Sharma  
Chief Financial Officer

*Kanti Chand Sipani*  
Kanti Chand Sipani  
Director  
(DIN:00028548)

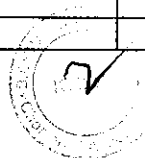
*Vinay Kanodia*  
Vinay Kanodia  
Company Secretary

**KABIRDAS INVESTMENTS LIMITED**

Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

(Rs. in lakhs)

Particulars		Amount Outstanding	Amount Overdue
<b>Liabilities Side:</b>			
<b>1</b>	<b>Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :</b>		
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposit*)		
	(b) Deferred Credits	-	-
	(c) Terms Loans	-	-
	(d) Intercorporate Loans and borrowings	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits*	-	-
	(g) Other Loans (Specify nature)	-	-
	* Please see Note 1 Below		
<b>2</b>	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):</b>		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	(c) Other public deposits	-	-
	* Please see Note 1 Below		
<b>Assets side :</b>		<b>Amount Outstanding</b>	
<b>3</b>	<b>Break-up of Loans and Advances including bills receivables [Other than those included in (4) below] :</b>		
	(a) Secured		-
	(b) Unsecured		694.71
<b>4</b>	<b>Break up of Leased Assets and Stock on hire and and other assets counting towards AFC activities :</b>		
	i Lease assets including lease rentals under sundry debtors:		
	(a) Finance Lease		-
	(b) Operating Lease		-
	ii Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	iii Other loans towards AFC activities		
	(a) loans where assets have been repossessed		-
	(b) loans other than mentioned above		-
<b>5</b>	<b>Break-up of Investments :</b>		
	<b>Current Investments :</b>		
	1. Quoted :		
	(i) Shares :		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. Unquoted :		
	(i) Shares :		
	(a) Equity		-
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of Mutual Funds		76.00
	(iv) Government Securities		-
	(v) Others (please specify)		-
	<b>Long Term Investments :</b>		
	1. Quoted :		
	(i) Shares :		
	(a) Equity		104.78
	(b) Preference		-



(ii) Debentures and Bonds		-	
(iii) Units of mutual funds		-	
(iv) Government Securities		-	
(v) Others (please specify)		-	
2. Unquoted :			
(i) Shares :			
(a) Equity			120.26
(b) Preference			-
(ii) Debentures and Bonds			-
(iii) Units of Mutual Funds			-
(iv) Government Securities			-
(v) Others (please specify)			-
<b>6</b>	<b>Borrower group-wise classification of leased assets financed as in (3) &amp; (4) above:</b>		
	Please see Note 2 below		
	<b>Category</b>	<b>Amount net of provisions</b>	
		<b>Secured</b>	<b>Unsecured</b>
			<b>Total</b>
1. Related Parties**			
(a) Subsidiaries		-	-
(b) Companies in the same group		-	-
(c) Other related parties		-	-
2. Other than related parties		-	694.71
	<b>Total</b>	<b>-</b>	<b>694.71</b>
<b>7</b>	<b>Investor group-wise classification of all Investments (current and long terms) in shares and securities (both quoted and unquoted) Please see note 3 below</b>		
	<b>Category</b>	<b>Market Value/Break up of fair Value or NAV</b>	<b>Book Value (Net of Provisions)</b>
1. Related Parties**			
(a) Subsidiaries		-	-
(b) Companies in the same group		104.26	104.26
(c) Other related parties		16.00	16.00
2. Other than related parties		153.02	180.78
	<b>Total</b>	<b>169.02</b>	<b>301.04</b>
<b>8</b>	<b>Other Information :</b>		
	<b>Particulars</b>	<b>Amount</b>	
(i)	Gross Non Performing Assets		
	(a) Related parties		-
	(b) Other than related parties		-
(ii)	Net Non-Performing assets		
	(a) Related parties		-
	(b) Other than related parties		-
(iii)	Assets acquired in satisfaction of debt		-

**Notes:**

- As defined in point xix of paragraph 3 of chapter-2 of these directions.
- Provisioning norms shall be applicable as prescribed in these directions
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in (5) above. Book value has been taken where break up/fair value of unquoted investments was not available as on date of Balance Sheet.





**KABIRDAS INVESTMENTS LIMITED**

**COMPUTATION OF INCOME**

**ASSESSMENT YEAR 2018 - 19**

**FINANCIAL YEAR 2017-18**

**PROFIT FROM BUSINESS/PROFESSION:-**

Amt (in ₹)

Net profit as per profit & loss A/c for the year ended 31st March, 2018			1,31,42,791
<u>Add:</u>	Interest on late deposit of statutory dues	3,760	
	Provision on Standard Assets	1,62,500	
	Disallowance U/s 14A	1,04,776	
	Disallowable Exp. (STT)	5,684	
		<u>2,76,720</u>	1,34,19,511
<u>Less:</u>	Profit on sale of current Investments (treated separately)	1,03,29,152	
	Dividend	1,57,500	
	Net gain/(loss) on Shares (STT Paid)	7,55,052	
		1,12,41,704	1,12,41,704
<b>Profit From Business &amp; Profession</b>			<u>21,77,807</u>
<b>Net Business Income</b>			21,77,807

**CAPITAL GAINS:-**

STCG on MF(without STT)		1,03,29,152	
Less: CFL ( upto AY 2017-18)	13,56,167	13,56,167	89,72,985
STCG on Shares (with STT)	7,55,052		7,55,052
			97,28,037

**Income From Other Sources**

Dividend	1,57,500	0	0
Less: Exempt	<u>(1,57,500)</u>		

<b>Gross total income</b>	<u>1,19,05,844</u>
<b>Total Income</b>	<u>1,19,05,844</u>

**COMPUTATION OF NORMAL TAX:-**

1) Tax on Business Income @ 25%	21,77,807	5,44,452
2) Tax on STCG (M/F)@25%	89,72,985	22,43,246
2) Tax on STCG on Shares (with STT) @15%	7,55,052	1,13,258
		<u>29,00,956</u>
ADD: Surcharge 7%		2,03,067
		31,04,023
ADD: Education @ 3%		93,121
Tax on Taxable Income		<u>31,97,143</u>

**COMPUTATION OF MAT u/s 115JB:-**

Net profit as per profit & loss A/c for the year ended 31st March, 2018		1,31,42,791
Add: Provision on Standard Assets		1,62,500
Add: Disallowance U/s 14A		1,04,776
Less: Dividend		1,57,500
		<u>1,32,52,567</u>
<b>Book Profit</b>		1,32,52,567
MAT @18.5%		24,51,725
Surcharge @7%		1,71,621
		<u>26,23,346</u>
<b>Add: Edu Cess @3%</b>		78,700
<b>MAT Payable (B)</b>		<u>27,02,046</u>

**Tax Liability**

Tax Payable		31,97,143
Less MAT Credit Adjustment		1,71,114
		<u>30,26,029</u>
TDS		3,56,322
Advance Tax Paid		35,00,000
		<u>38,56,322</u>
		Refundable
		<u>(8,30,293)</u>

**PARTICULARS OF UNABSORBED LOSSES/ALLOWANCES TO BE CARRIED FORWARD:-**

AY 2015-16	Short Term Capital Loss		0
AY 2015-16	Long Term Capital Loss	18,213	
AY 2014-15	Long Term Capital Loss	75,077	
		<u>93,290</u>	

## Independent Auditor's Report

To the Members of M/s KABIRDAS INVESTMENTS LIMITED

### Report on the Consolidated Financial Statements

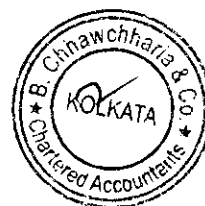
1. We have audited the accompanying consolidated financial statements of M/s **KABIRDAS INVESTMENTS LIMITED**, ("the Holding Company") and its associates (the Holding Company and its associates together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group entities in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended). The respective Board of Directors/management of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
4. While conducting the 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 auditor's report under the provisions of the Act and the Rules made thereunder.
5. 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 consolidated financial statements are free from material misstatement.



**Chartered Accountants**

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Holding Company's preparation of the consolidated 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 Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 9 of the Other Matter(s) paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Opinion**

8. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the financial statements of the associates, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31 March 2018, and their consolidated profit and their consolidated cash flows for the year ended on that date.

**Other Matter(s)**

9. The consolidated financial statements also include the Group's share of net profit of Rs. 99,23,519 for the year ended 31 March 2018, as considered in the consolidated financial statements, in respect of 3 associates, whose financial statements have not been audited by us. The unaudited financial statements relating to two associates has been furnished to us by the management, and financial statements of one associate has been audited by other auditor whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid associates, is based solely on the reports of the other auditor of one associate and the unaudited financial statements of the other two associates.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and reports of the other auditor and the financial statements/ financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

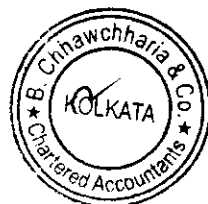
10. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report(s) of the other auditor(s) on separate financial statements and other financial information of the associates, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;



Chartered Accountants

- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditor and as certified by the management;
- c) The consolidated financial statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014(as amended);
- e) On the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the other statutory auditors of its associate companies covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company, as of 31 March 2018, in conjunction with our audit of the consolidated financial statements of the holding company for the year ended on that date and our report of even date as per annexure 'A' expressed the operating effectiveness of such controls. We are unable to express opinion on the IFCoFR of the associates since they remain unaudited by us.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the associates:
- (i) There were no pending litigations as at 31 March 2018 which would impact the consolidated financial position of the Group;
- (ii) The Group 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 Holding Company, and its associate companies covered under the Act during the year ended 31 March 2018;

Kolkata  
May 29, 2018



For B. Chhawchharia & Co  
Firm Registration No.: 305123E

Chartered Accountants

  
Sushil Kumar Chhawchharia

Partner

Membership No. 008482

## Annexure A

### Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the KABIRDAS INVESTMENTS LIMITED ("the Holding Company") and its associate, (the Holding Company and its associates together referred to as "the Group"), as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Holding Company, which is a company incorporated in India, as of that date.

#### Management's Responsibility for Internal Financial Controls

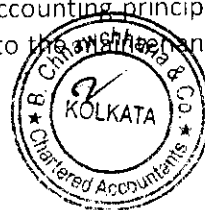
2. The respective Board of Directors of the Holding Company, which is a company incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial controls over financial reporting issued by 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 the company's business, including adherence to the company's policies, the safeguarding of the company's 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 Act.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the IFCoFR of the Holding Company as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note"), issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the IFCoFR of the Holding Company, as aforesaid.

#### Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR 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 IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail,



accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that the IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

8. In our opinion, the Holding Company which is a company incorporated in India, has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal financial controls over financial reporting issued by ICAI. We are unable to express any opinion on the adequacy and effectiveness of IFCoFR regarding the 3 associate companies remaining unaudited.

#### **Other Matters**

9. In respect of the 3 associate companies as stated in para (f) of report on other legal and regulatory requirements, there are no reports from chartered accountants in respect of internal financial control system over financial reporting and hence, these could not be considered for the purpose of this report.

Kolkata  
May 29, 2018



For **B. Chhawchharia & Co**  
**Firm Registration No.: 305123E**  
Chartered Accountants

  
**Sushil Kumar Chhawchharia**  
Partner  
Membership No. 008482

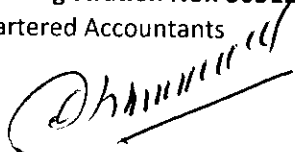
**KABIRDAS INVESTMENTS LIMITED**Consolidated Balance Sheet as at 31<sup>st</sup> March, 2018

	Note	As at 31st March, 2018		As at 31st March, 2017	
<b><u>EQUITY &amp; LIABILITIES</u></b>					
<b>Shareholders' Funds</b>					
(a) Share Capital	2	3,957,170		3,957,170	
(b) Reserves & Surplus	3	<u>92,974,185</u>	96,931,355	<u>83,050,666</u>	87,007,836
<b>Current Liabilities</b>					
(a) Other Current Liabilities	4	356,868		404,187	
(b) Short-term Provisions	5	<u>3,359,650</u>	3,716,518	<u>171,114</u>	575,301
<b>TOTAL</b>			<u><u>100,647,873</u></u>		<u><u>87,583,137</u></u>
<b><u>ASSETS</u></b>					
<b>Non-Current Assets</b>					
(a) Non-Current Investments	6	22,087,609		22,109,732	
(b) Long Term Loans & Advances		<u>25,000</u>	22,112,609	<u>25,000</u>	22,134,732
<b>Current Assets</b>					
(a) Current Investments	7	7,599,800		54,684,369	
(b) Cash and Cash equivalents	8	1,489,784		571,684	
(c) Short-term Loans and Advances	9	<u>69,445,680</u>	78,535,264	<u>10,192,352</u>	65,448,405
<b>TOTAL</b>			<u><u>100,647,873</u></u>		<u><u>87,583,137</u></u>
Significant Accounting Policies	1				

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date

For B Chhawchharia & Co.  
Firm Registration No.: 305123E  
Chartered Accountants

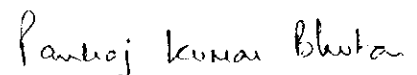


Sushil Kumar Chhawchharia  
Partner  
M. No. 008482

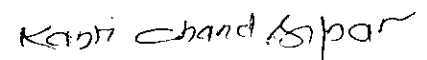
Kolkata  
May 29, 2018



For and on behalf of the Board

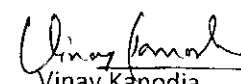


Pankaj Kumar Bhutoria  
Managing Director  
(DIN: 01128602)



Kanti Chand Sipani  
Director  
(DIN: 00028548)

M. S. Sharma  
Madhusudan Sharma  
Chief Financial Officer



Vinay Kanodia  
Company Secretary

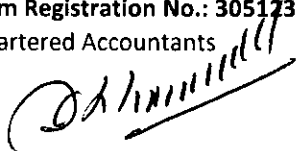
**KABIRDAS INVESTMENTS LIMITED**Consolidated Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2018

	Note	Year ended 31st March, 2018	Year ended 31st March, 2017
I. Revenue from Operations	10	3,563,034	9,863
II. Other Income	11	11,241,704	2,485,434
III. <b>Total Revenue (I + II)</b>		<b>14,804,738</b>	<b>2,495,297</b>
IV. <b>Expenses:</b>			
(a) Employee Benefits Expense	12	825,896	920,108
(b) Other expenses	13	836,051	677,190
<b>Total expenses</b>		<b>1,661,947</b>	<b>1,597,298</b>
V. <b>Profit before Tax (IV - V)</b>		<b>13,142,791</b>	<b>897,999</b>
VI. <b>Tax Expenses</b>			
(a) Current Tax		3,197,150	171,114
Less: MAT Entitlement		-	(171,114)
VII. <b>Profit/(Loss) for the Period (before adjustment of share of profit of associate) (V - VI)</b>		<b>9,945,641</b>	<b>897,999</b>
VIII. Share of Profit/(Loss) of Associates		(22,122)	(670,749)
IX. <b>Profit/(Loss) for the Period (after adjustment of Minority Interest &amp; share of profit of associate) (VII - VIII)</b>		<b>9,923,519</b>	<b>227,250</b>
X. <b>Earning per Equity Share (nominal value of share Re.1)</b>			
(a) Basic		2.51	0.06
(b) Diluted		2.51	0.06

The accompanying notes are an integral part of the consolidated financial statements

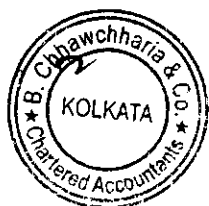
As per our report of even date

For B Chhawchharia & Co.  
Firm Registration No.: 305173E  
Chartered Accountants

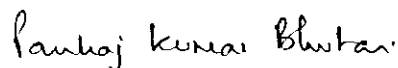


Sushil Kumar Chhawchharia  
Partner  
M. No. 008482

Kolkata  
May 29, 2018



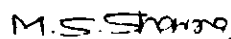
For and on behalf of the Board



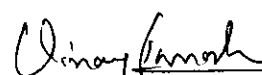
Pankaj Kumar Bhutoria  
Managing Director  
(DIN: 01128602)



Kanti Chand Sipani  
Director  
(DIN: 00028548)



Madhusudan Sharma  
Chief Financial Officer



Vinay Kanodia  
Company Secretary



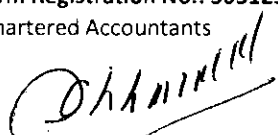
## KABIRDAS INVESTMENTS LIMITED

Consolidated Cash Flow Statement for the year ended 31<sup>st</sup> March 2018

	31st March, 2018	31st March, 2017
<b>Cash flow from operating activities</b>		
Net Profit/(loss) before tax	13,142,791	897,999
Provision for Standard Asset	162,500	-
<u>Non-cash expenses</u>		
Depreciation	-	-
Dividend Income	(157,500)	-
Loss/(profit) on sale of Investments	(11,084,204)	(2,485,434)
Operating profit before working capital changes	2,063,587	(1,587,435)
<u>Movements in working capital :</u>		
Increase/(decrease) in other current liabilities	(47,319)	440,793
Decrease/(increase) in loans and advances/trade receivables	(55,379,200)	(10,147,684)
<b>Cash generated from / (used in) operations</b>	<b>(53,362,932)</b>	<b>(11,294,326)</b>
Direct taxes paid/Adjusted (net of refunds)& provision for Tax	(4,045,242)	-
<b>Net Cash flow from / (used in) operating activities (A)</b>	<b>(57,408,174)</b>	<b>(11,294,326)</b>
<b>Cash flow from investing activities</b>		
Proceeds from sale/ (purchase) of current investments (Net)	58,168,773	19,692,389
Proceeds from sale/ (purchase) of long-term investments (Net)	-	(7,954,053)
Dividend Income	157,500	-
<b>Net Cash flow from / (used in) investing activities (B)</b>	<b>58,326,273</b>	<b>11,738,336</b>
<b>Cash flow from financing activities</b>		
<b>Net Cash flow from / (used in) financing activities (C)</b>		
Net increase/(decrease) in cash and cash equivalents (A+B+C)	918,099	444,011
Cash and cash equivalents at the beginning of the year	571,684	127,673
<b>Cash and cash equivalents at the end of the year</b>	<b>1,489,783</b>	<b>571,684</b>
<b>Components of cash and cash equivalents</b>		
Balances with Banks in Current Account	1,487,608	566,829
Cash on hand	2,175	4,855
<b>Total cash and cash equivalents</b>	<b>1,489,783</b>	<b>571,684</b>

As per our report of even date

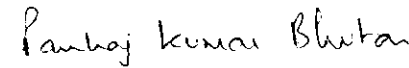
For B Chhawchharia & Co.  
Firm Registration No.: 305123E  
Chartered Accountants

  
Sushil Kumar Chhawchharia  
Partner  
M. No. 008482

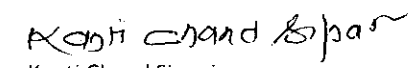
Kolkata  
May 29, 2018



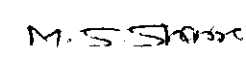
For and on behalf of the Board



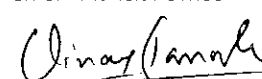
Pankaj Kumar Bhutoria  
Managing Director  
(DIN:01128602)



Kanti Chand Sipani  
Director  
(DIN:00028548)



Madhusudan Sharma  
Chief Financial Officer



Vinay Kanodia  
Company Secretary

**1. Significant Accounting Policies****1.1 Basis of Preparation of Consolidated Financial Statements****(a) Principles of Consolidation**

The Consolidated Financial Statements have been prepared in accordance with the Accounting Standard (AS) – 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India (ICAI) and notified pursuant to the Companies (Accounting Standards) Rules, 2006.

The Consolidated Financial Statements relates to Kabirdas Investments Limited (the Parent Company), and its associates as below. The details are as given below:

Name of Companies	Company of Incorporation/ Formation	% of Voting Power/Profit sharing as on 31.03.18	% of Voting Power/Profit sharing as on 31.03.17
<b>Associates</b>			
1 Faith Suppliers Pvt Ltd	India	35.21%	35.21%
2 Kinetic Vanijya Pvt. Ltd.	India	35.21%	35.21%
3 N Marshall Hitech Engineers	India	33.96%	33.96%

(i) Investments in Associates are accounted in accordance with AS-23 on "Accounting for Investments in Associates in Consolidated Financial Statements", under "equity method". Unrealised profit/loss are eliminated other than in respect of transactions pertaining to non depreciable assets.

(a) For the purpose of this consolidation, the financial statements for the financial year 2017-18 of three of the associates viz. Faith Suppliers Pvt Limited, Kinetic Vanijya Pvt Limited & N Marshall Hitech Engineers Pvt. Ltd. as prepared by the management, subject to audit by their auditors, are considered.

(ii) As far as possible, the Consolidated Financial Statements are prepared using uniform accounting policies for similar material transactions and other events in similar circumstances otherwise as stated elsewhere.

(iii) The difference between the costs of investment in the associates, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the Consolidated Financial Statements as Goodwill or Capital Reserves as the case may be.

(iv) The disclosures relating to the Associates are by considering the impact of proportionate investment by the Parent Company, as applicable.

(v) Investments other than in subsidiaries and associates have been accounted as per 'AS – 13' on "Accounting for Investments".

(vi) There is cross holding among the Holding Company and its two associates and accordingly the Consolidated Financial Statements of the Holding Company has been prepared considering the Standalone Financial Statements of those Associates.

**1.2 Use of Estimates**

The preparation of consolidated financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialized.

**1.3 Property, Plant and Equipment**

Property, Plant and Equipment are stated at its cost less any accumulated depreciation, amortization and impairment losses.

Depreciation on tangible assets is provided on written down value on the basis of useful life of the assets and in the manner prescribed in Schedule II to the Companies Act, 2013. Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

**1.4 Impairment of Assets**

The carrying amount of assets is reviewed at each balance sheet date. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the statement of profit & loss in the year in which the asset is identified as impaired.

**1.5 Investments**

Long-term Investments are carried at acquisition cost. Investments intended to be held for less than one year are classified as 'Current Investments' and carried at lower of cost and fair value. Provision for diminution in value is made if the decline in value is other than temporary in nature in the opinion of the management.

**1.6 Employee Retirement Benefits**

(i) Short term employee benefits are charged off at the undiscounted amount in the period in which the related service is rendered.

(ii) Liability on account of leave entitlement of employees is provided for in accordance with the rules of the Company at current encashable salary rates as at the balance sheet date.

(iii) Gratuity is accounted for on the basis of current encashable salary rates for every completed year of service in respect of all employees.

**1.7 Taxes on Income**

i. Provision for Income Tax is made on the basis of estimated taxable income for the period at current rates. Tax expense comprises both Current Tax and Deferred Tax at the applicable enacted or substantively enacted rates. Current Tax represents the amount of Income Tax payable/ recoverable in respect of taxable income/ loss for the reporting period. Deferred Tax represents the effect of timing difference between taxable income and accounting income for the reporting period that originates in one year and are capable of reversal in one or more subsequent years.

ii. Deferred tax assets are recognised when the Company carries forward unused tax losses/expenses and unabsorbed depreciation. Deferred tax assets are recognised only to the extent there is virtual certainty backed by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced by the extent that is no longer probable that sufficient taxable profit will be available to allow all or a part of aggregate deferred tax assets to be utilised.

iii. Minimum alternate tax (MAT) paid in accordance with the tax laws gives rise to future economic benefits in the form of adjustment of future income tax liability, and is considered and recognized as an asset in the Balance Sheet when it is probable that such benefits will flow to the Company in future years and the same can be measured reliably.



**KABIRDAS INVESTMENTS LIMITED**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

**1.8 Provisions, Contingent Liabilities and Contingent Assets**

- Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the Notes. Contingent Assets are neither recognised nor disclosed in the financial statements.
- The company makes provision for Standard, Restructured and Non-performing Assets as per the NBFC- Non-Systematically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended from time to time. The company also makes additional provision, to the extent considered necessary, and based on the management's best estimate.
- Loans and Advances which, as per the management are not likely to be recovered are considered as bad debts and written off.

**1.9 Revenue Recognition**

- Income from loans is recognized on accrual basis, except in the case of non-performing assets where it is recognized, upon realization, as per the Prudential Norms/Directions of RBI, as applicable to NBFC's.
- Income from Dividend from Shares of Corporate bodies is accounted when the company's right to receive the dividend is established.
- Interest income from Fixed deposits/margin money is recognized on time proportion basis taking into account the amount outstanding and the rate applicable.
- All other income is accounted for on accrual basis.

	31 March, 2018	31 March, 2017
	Rs	Rs
<b>2. Share Capital</b>		
<b>a) Capital Structure</b>		
Authorised		
1,10,00,000 Equity Shares of Re. 1/- each (Previous year - 1,10,00,000 Equity Shares of Re. 1/- each)	11,000,000	11,000,000
	<b>11,000,000</b>	<b>11,000,000</b>
Issued, Subscribed and Fully Paid Up		
39,57,170 Equity Shares of Re. 1/- each (Previous year - 39,57,170 Equity Shares of Re. 1/- each)	3,957,170	3,957,170
	<b>3,957,170</b>	<b>3,957,170</b>
<b>b) Share Capital Reconciliation</b>		
<b>Equity Shares</b>		
	<b>31 March 2018</b>	
	Nos.	Amount
Opening balance	3,957,170	3,957,170
Issued during the period	-	-
Closing Balance	<b>3,957,170</b>	<b>3,957,170</b>
	<b>31 March 2017</b>	
	Nos.	Amount
Opening balance	3,957,170	3,957,170
Issued during the period	-	-
Closing Balance	<b>3,957,170</b>	<b>3,957,170</b>
<b>c) Particulars of Equity Shareholders holding more than 5% Shares at Balance Sheet date</b>		
	<b>31 March 2018</b>	
	No. of shares	% holding
Avighna Traders Pvt. Ltd.	457,958	11.57%
Faith Suppliers Pvt. Ltd.	639,413	16.16%
Kinetic Vanijya Pvt. Ltd.	639,413	16.16%
Varanasi Commercial Ltd.	590,265	14.92%
	<b>31 March 2017</b>	
	No. of shares	% holding
Avighna Traders Pvt. Ltd.	457,958	11.57%
Faith Suppliers Pvt. Ltd.	639,413	16.16%
Kinetic Vanijya Pvt. Ltd.	639,413	16.16%
Varanasi Commercial Ltd.	590,265	14.92%
<b>3. Reserves &amp; Surplus</b>		
	31 March, 2018	31 March, 2017
	Rs	Rs
<b>General Reserve</b>		
Balance b/f	6,472,850	6,472,850
<b>General Reserve on Amalgamation</b>		
Balance b/f	23,300,330	23,300,330
<b>Reserve Fund (Sec 45IC of RBI Act, 1934)</b>		
Balance b/f	6,209,300	6,029,300
Add: Transfer During the year	1,989,200	180,000
	8,198,500	6,209,300
<b>Capital Redemption Reserve</b>		
Balance b/f	1,000	1,000
<b>Surplus/(Deficit) in the Statement of Profit &amp; Loss</b>		
Opening balance	47,067,186	47,434,973
Add: Adjustment for transitional provisions for Associate consolidation	-	(415,037)
Add: Profit/(Loss) for the year	9,923,519	227,250
Less: Transfer to Statutory Reserve	1,989,200	180,000
Net Surplus/(Deficit) at the end of the year	<b>55,001,505</b>	<b>47,067,186</b>
<b>Total Reserves &amp; Surplus</b>	<b>92,974,185</b>	<b>83,050,666</b>
<b>4. Other Current Liabilities</b>		
	31 March, 2018	31 March, 2017
	Rs	Rs
<b>Other payables</b>		
Statutory dues payable	6,135	5,542
Others (year end payables)	350,733	398,645
	<b>356,868</b>	<b>404,187</b>
<b>5. Short-term Provisions</b>		
Other Provisions - for Income Tax	3,197,150	171,114
Provision for Standard Asset	162,500	-
	<b>3,359,650</b>	<b>171,114</b>



	31 March 2018		31 March 2017	
	Qty.	Amount (Rs)	Qty.	Amount (Rs)
<b>6. Non-Current Investments</b>				
(fully paid-up; FV Rs 10 each, unless otherwise stated)				
<b>(a) Investments in Equity Instruments (Quoted)</b>				
Ceeta Industries Ltd.	100	359	100	359
Electrosteel Castings Ltd.	315,000	10,477,553	315,000	10,477,553
		10,477,911		10,477,911
<b>(b) Investments in Equity Instruments (Unquoted)</b>				
<b>Associates</b>				
Kinetic Vanijya Pvt. Ltd.				
(i) Cost of Investment (net off Goodwill Rs 1,41,749 (PY Goodwill Rs 1,41,749) on consolidation)		5,000,000		5,000,000
(ii) Share of Post Acquisition Profit (Net of Losses) upto 31.03.2018		7,588		419
	490,000	5,007,588	100,000	5,000,419
Faith Suppliers Pvt. Ltd.				
(i) Cost of Investment (net off Goodwill Rs 1,41,683 (PY Goodwill Rs 1,41,683) on consolidation)		5,000,000		5,000,000
(ii) Share of Post Acquisition Profit (Net of Losses) upto 31.03.2018		2,110		(4,412)
	490,000	5,002,110	100,000	4,995,588
N Marshall Hitech Engineers Pvt. Ltd				
(i) Cost of Investment (net off Rs 25,22,490 (PY Rs 25,22,490) of Capital reserve arising on consolidation)		425,862		425,862
(ii) Share of Post Acquisition Profit (Net of Losses) upto 31.03.2018		(425,862)		(390,048)
	106,200	-	106,200	35,814
<b>Others</b>				
Avighna Traders Pvt. Ltd.	32,000	1,600,000	32,000	1,600,000
		11,609,698		11,631,821
<b>Aggregate Amount of</b>				
Quoted Investments		10,477,911		10,477,911
Unquoted Investments		11,609,698		11,631,821
		22,087,609		22,109,732
<b>Market value of Quoted Investments</b>				
		7,702,399		10,884,322
		7,702,399		10,884,322

	31 March 2018		31 March 2017	
	Qty.	Amount (Rs)	Qty.	Amount (Rs)
<b>7. Current Investments</b>				
(fully paid-up; FV Rs 10 each, unless otherwise stated)				
<b>(a) Investments in Mutual Funds (Unquoted)</b>				
HDFC Cash Management Fund - Retail (Growth)	211,026,098	7,599,800	399,097,605	13,477,962
ICICI Prudential Savings Fund - Regular Plan (G)	-	-	4,161,234	1,014,883
Franklin India Income Builder Account - Plan A - G	-	-	828,022,035	40,191,524
		7,599,800		54,684,369
<b>Aggregate Amount of</b>				
Unquoted Investments		7,599,800		54,684,369
		7,599,800		54,684,369
<b>Repurchase price of Units of Mutual Fund</b>				
		7,720,749		61,838,240

	31 March, 2018		31 March, 2017	
	Rs	Rs	Rs	Rs
<b>B. Cash and Cash Equivalents</b>				
Balances with Banks in Current Account		1,487,608		566,829
Cash on hand		2,176		4,855
		1,489,784		571,684

	31 March, 2018		31 March, 2017	
	Rs	Rs	Rs	Rs
<b>9. Short-term Loans and Advances</b>				
(Unsecured, considered good unless otherwise stated)				
<b>Others</b>				
Advances recoverable in cash or in kind or for value to be received		65,399,452		10,020,252
MAT Credit Entitlement		-		171,114
Income Tax Advances and TDS		4,046,228		986
		69,445,680		10,192,352



**KABIRDAS INVESTMENTS LIMITED**

Notes to the Consolidated Financial Statements for the year ended 31st March, 2018

	31 March, 2018	31 March, 2017
	Rs	Rs
<b>10. Revenue From Operations</b>		
Interest Income	3,563,034	9,863
	<u>3,563,034</u>	<u>9,863</u>
<b>11. Other Income</b>		
Dividend Income	157,500	-
Net gain/(loss) on sale of Shares (STT paid)	755,052	-
Net gain/(loss) on sale of Current Investments	10,329,152	2,485,434
	<u>11,241,704</u>	<u>2,485,434</u>
<b>12. Employee Benefits Expense</b>		
Salaries, Bonus & Allowances	825,280	919,508
Staff welfare expenses	616	600
	<u>825,896</u>	<u>920,108</u>
<b>13. Other Expenses</b>		
Advertisement expenses	15,564	16,426
<b>Auditors' Remuneration</b>		
Audit Fees	41,300	40,250
Certification Fees	26,720	26,750
Legal & Professional Charges	66,800	63,325
Listing, Registrar, Depository & Demat expenses	155,999	165,301
Postage and Courier charges	228,100	195,747
Printing & Stationery expenses	69,681	97,264
Rates & Taxes	4,650	4,400
Travelling & Conveyance expenses	7,955	5,675
Other expenses	56,782	62,052
Provision for Standard Assets	162,500	-
	<u>836,051</u>	<u>677,190</u>

**14. Segment Reporting**

The Company is predominantly engaged in the business of leasing activities and is a 'Single Segment' Company.

**15. Related Party Disclosures**

As per Accounting Standard 18 'Related Party Disclosures' issued by ICAI, the disclosure of transactions with related parties are given below:

**(i) Names of the related parties and description of relationship****List of Related Parties where control exists:**

- Key Management Personnel (KMP) and their relatives:**  
Mr. Pankaj Kumar Bhutoria - Managing Director
- Enterprises where KMP/Relatives of KMP have significant influence or control:**  
Nil

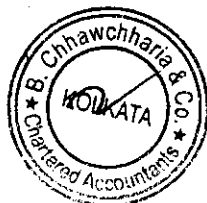
**(ii) Transactions with related parties during the period (excluding reimbursements):**

Sl. No.	Name of the Related Party	31 March, 2018	31 March, 2017
1	<b>Pankaj Kumar Bhutoria</b> <b>Transactions:</b> Remuneration Paid	300,000	300,000

**16. Earning per share (EPS)**

The following reflects the profit and share data used in the basic and diluted EPS computations:

	31 March, 2018	31 March, 2017
Net Profit / (Loss) attributable to equity shareholders	9,923,519	227,250
Weighted average number of equity shares in calculating EPS	3,957,170	3,957,170
Nominal value of Equity Shares	1	1
Basic & Diluted EPS	2.51	0.06



17. There are no employees eligible for gratuity and accordingly no provision has been made.

**18. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006**

On the basis of information available with the Company under the Micro, Small and Medium Enterprises Development Act, 2006, there are no Enterprises to whom the Company owes dues which are outstanding at year end. This has been relied upon by the Auditors.

19. Name of Entity	Net Assets, i.e. Total Assets minus total liabilities		Share of Profit/(Loss)	
	As a % of Consolidated	Amount (Rs)	As a % of Consolidated	Amount (Rs)
<b>Associates</b>				
Faith Suppliers Pvt Ltd	5.16%	5,002,110	0.07%	6,523
Kinetic Vanijya Pvt. Ltd.	5.17%	5,007,588	0.07%	7,170
N Marshall Hitech Engineers Pvt Ltd	0.00%	-	-0.36%	(35,814)

20. Share of Loss of the following Associate Companies are recognised to the extent of carrying amount of such investments as on 31.03.2018 before adjusting post acquisition profit till that date and the unrecognised amounts shall be adjusted against the future profits, if any.

a) N Marshall Hitech Private Limited : Rs. 3,44,242/-

21. Previous year figures have been reclassified wherever appropriate to confirm to current year's presentation.

As per our report of even date

For B Chhawchharia & Co.  
Firm Registration No.: 305123E  
Chartered Accountants

*Sushil Kumar Chhawchharia*  
Sushil Kumar Chhawchharia  
Partner -  
M. No. 008482

Kolkata  
May 29, 2018



For and on behalf of the Board

*Pankaj Kumar Bhutoria*  
Pankaj Kumar Bhutoria  
Managing Director  
(DIN:01128602)

*Kanti Chand Sipani*  
Kanti Chand Sipani  
Director  
(DIN:00028548)

*M.S. Sharma*  
Madhusudan Sharma  
Chief Financial Officer

*Vinay Kanchla*  
Vinay Kanchla  
Company Secretary