



# Kabirdas Investments Limited

CIN: L65993WB1974PLC157598

Azimganj House, 7 Camac Street  
Unit No-3B, 5<sup>th</sup> Floor, Kolkata-700017  
Ph. No.: 033-22825513  
Email: [kilgroup2010@gmail.com](mailto:kilgroup2010@gmail.com)  
[www.kabirdasinvestmentslimited.com](http://www.kabirdasinvestmentslimited.com)

Date: 08-09-2021

The Secretary,  
MCX-SX,  
Vibgyor Tower, 4<sup>th</sup> Floor, Plot Bo. C62,  
G-Block, Opp. Trident Hotel, Bandra Kurla Complex,  
Bandra(East), Mumbai-400098

**File No. 3699**

**Scrip Code: 10021097**

The Secretary,  
The Calcutta Stock Exchange Ltd.,  
7, Lyons Range,  
Kolkata – 700 001

**Dear Madam/Sir,**

**Sub: Notice and Annual Report for FY 2020-21 for the 47th Annual General Meeting (AGM) to be held on Thursday, 30th September, 2021 AT 3:00 P.M. THROUGH VIDEO CONFERENCEING/AUDIO MEANS (OAVM) with Record date and Book closures**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the Integrated Annual Report including the Notice of AGM and the standalone and consolidated audited financial statements for the financial year 2020-21, along with Board's Report, Auditors' Report and other documents required to be attached thereto of 47th Annual General Meeting (AGM) of the Company scheduled to be held on Thursday, 30th September, 2021 at 3:00 PM IST through video conferencing/audio means (OAVM).

In the view of the outbreak of the COVID-19 pandemic and restrictions imposed on the movement of people and due to the continuing impact of COVID-19 pandemic and consequent restrictions on the movement and congregation of person, the 47th AGM would be conducted only through Video Conferencing (VC) / Other Audio Video Means (OAVM), the Ministry of Corporate Affairs has vide its circular dated 8th April, 2020, 13th April, 2020, 5th May, 2020 and 15th June, 2020 (Circulars) permitted the holding of the AGM through VC/ OAVM without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013(the Act), SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 (the Listing Regulations) and the circulars, the 47th AGM of the Company is being held through VC/OAVM and the members can attend and participate in the ensuing AGM through VC/OAVM.

The Notice of AGM and the Annual Report 2020-21 is being sent to the Members whose email address are registered with the Company/Depository Participant (DP) as case may be and is also available at the Company's website [www.kabirdasinvestmentslimited.com](http://www.kabirdasinvestmentslimited.com) and on CDSL website at [www.evotingindia.com](http://www.evotingindia.com). In compliance with the provision of Section 108 of the Companies Act, 2018, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and the provision of Regulation 44 of SEBI, Listing Regulations, 2015 and Secretarial Standard-2 on General Meetings, the members are provided with facility to cast their vote electronically, through e-voting services provided by Central Depository Services (India) Limited (CDSL) on resolution set forth in the Notice, from the place other than the venue of the Meeting (Remote e-voting). The cut-off date for e-voting is 23rd September, 2021, the e-voting period starts at Monday, 27th September, 2021 (09:00 A.M. IST) and ends at Wednesday, 29th September, 2021 (05:00 P.M. IST). During



# Kabirdas Investments Limited

CIN: L65993WB1974PLC157598

Azimganj House, 7 Camac Street

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

Ph. No.: 033-22825513

Email: [kilgroup2010@gmail.com](mailto:kilgroup2010@gmail.com)

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

---

this period, members holding the share either in the physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. Further, pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company shall remain closed from 23<sup>th</sup> September, 2021 to 30<sup>th</sup> September, 2021 (both days inclusive) for taking record of Members of the Company for the purpose of 47<sup>th</sup> Annual General Meeting. This is for your information and ready reference.

Please acknowledge the receipt and take the above on record.

Thanking you,

Yours truly,

**For Kabirdas Investments Limited**

**Dipak Mehta**  
**Managing Director**  
**DIN-01274012**

# KABIRDAS INVESTMENTS LIMITED



KABIRDAS INVESTMENTS LIMITED

## ANNUAL REPORT 2020-2021

***REGISTERED OFFICE :***

AZIMGANJ HOUSE,  
7 CAMAC STREET, 5TH FLOOR, UNIT NO-3B  
KOLKATA-700017

**DIRECTORS:**

(As on 31st March, 2021)

Shri Dipak Mehta  
Shri Jesal Mehta  
Shri Kunal Kampani  
Smt Nupur Mehta

**AUDITORS:**

B. Chhawchharia & Co.  
Chartered Accountants

**REGISTRAR & TRANSFER AGENT:**

MCS Shares Transfer Agent Limited  
383 Lake Gardens 1st Floor  
KOLKATA - 700045

**BANKERS:**

**HDFC Bank Limited**

Jardine House Branch,  
4, Clive Row, Kolkata- 700001

**Canara Bank**

Lower Circular Road Branch,  
Kolkata-700020

**REGISTERED OFFICE:**

Azimganj House, 7 Camac Street,  
5th Floor, Unit-3B,  
Kolkata-700017

# **KABIRDAS INVESTMENTS LIMITED**

CIN: - L65993WB1974PLC157598

Regd. Office: Azimganj House, 7 Camac Street,

5th Floor, Unit No-3B, Kolkata-700017

Tel: (033) 2282 5513, email: kilgroup2010@gmail.com, website: www.kabirdasinvestmentslimited.com

## **NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 47th ANNUAL GENERAL MEETING (AGM) OF THE SHAREHOLDERS OF KABIRDAS INVESTMENTS LIMITED WILL BE HELD ON THURSDAY, THE 30TH SEPTEMBER, 2021 AT 3:00 P.M. THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO VISUAL MEANS (OAVM) & ANNUAL REPORT FOR THE YEAR 2020-2021

### **AS ORDINARY BUSINESS**

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

1. To consider and adopt (a) the audited financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon and in this regard, pass the following resolutions as Ordinary Resolutions:

(a) "RESOLVED THAT the audited standalone financial statement of the Company for the financial year ended March 31, 2021 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

(b) "RESOLVED THAT the audited consolidated financial statement of the Company for the financial year ended March 31, 2021 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Ms. Nupur Mehta (DIN-08687047) who retires by rotation and being eligible, offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Ms. Nupur Mehta (DIN-08687047) who retires by rotation at this meeting be and is hereby re-appointed as a Director of the Company and that his period of office be liable to determination by retirement of Directors by rotation"

3. To appoint Statutory Auditor(s) of the company to hold office from the conclusion of this AGM until the conclusion of the 52nd AGM and to fix their remuneration and to consider and pass the following resolution as ORDINARY RESOLUTION –

"RESOLVED THAT pursuant to the provisions of Sections 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Ray & Co., Chartered Accountants (ICAI Firm Registration Number 313124E), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. B. Chhawchharia & Co, Chartered Accountants, who due to expiry of their tenure is discontinuing as Statutory Auditors of the Company. Appointment of M/s Ray & Co is for a term of five consecutive years commencing from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 52nd AGM of the Company and the Board of Directors / Committee of the Board be and is hereby authorized

## **KABIRDAS INVESTMENTS LIMITED**

to fix their remuneration plus other applicable expenses in connection with Statutory Audit and/or continuous audit and such other remuneration, as may be decided to be paid by the Board/Committee of the Board for performing duties if any other than those referred to hereinabove and the remuneration so fixed may be paid at such intervals during the year as may be decided by the Board/Committee of the Board.

**By Order of the Board,  
For KABIRDAS INVESTMENTS LIMITED**

**Sd/-**

**Dipak Mehta**

**DIN: 01274012**

**Managing Director**

**Place: Kolkata**

**Date: 5th September, 2021**

# **KABIRDAS INVESTMENTS LIMITED**

## **NOTES:**

1. The Securities and Exchange Board of India (SEBI) has mandated the submission of copy of PAN card to the Company/ Depository Participants as the case may be. Members holding shares in physical form should submit their PAN details to the Company/RTA.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 24th September, 2021 to 30th September, 2021 (both days inclusive).
3. Members are requested to notify immediately change of address, if any, to the registrar and transfer agent of the company and provide their e-mail ID.
4. Members who have shareholdings in physical form are requested to submit their shares for dematerialization at your registered depository at the earliest.

## **5. VOTING THROUGH ELECTRONIC MEANS**

- I.) As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
- II.) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.  
For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- III.) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- IV.) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- V.) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
- VI.) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.kabirdasinvestmentslimited.com](http://www.kabirdasinvestmentslimited.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e. MSEI Limited at [www.msei.in](http://www.msei.in). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

## **KABIRDAS INVESTMENTS LIMITED**

VII.) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

### **VIII.) The instructions for shareholders voting electronically are as under:**

- (i) The remote e-voting period begins on 27th September, 2021 at 09:00 A.M. and ends on 29th September, 2021 at 5.00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23rd September, 2021, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is casted by the member, the member shall not be allowed to change it subsequently.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iv) Click on "Shareholders" tab.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters. OR
  - d. Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below: For Members holding shares in Demat Form and Physical Form PAN Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. DOB Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format Bank Enter the Bank Account Number as recorded in your demat account with the depository or Account in the company records for your folio. Number • Please Enter the DOB or Bank Account Number in order to Login. (DBD) • If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).
- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL



## **KABIRDAS INVESTMENTS LIMITED**

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

- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant Company Name i.e. "Kabirdas Investments Limited" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
- (xx) Note for Institutional Shareholders & Custodians :
  - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [droliapravin@yahoo.co.in](mailto:droliapravin@yahoo.co.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- (xxi) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

## **KABIRDAS INVESTMENTS LIMITED**

(xxii) All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

### **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- Send a mail to the Company and Registrars & Share Transfer Agent of the Company, MCS Share Transfer Agent Ltd. at kilgroup2010@gmail.com and mcssta@rediffmail.com respectively along with the scanned copy of the request letter duly signed by sole/first shareholder quoting the Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN Card), AADHAR (self-attested scanned copy Aadhar Card) for registering email address.
2. For Demat shareholders - Please contact your Depository Participant (DP) and register your email address.

### **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at kilgroup2010@gmail.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at kilgroup2010@gmail.com. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if

## **KABIRDAS INVESTMENTS LIMITED**

the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- IX.) Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at droliapravin@yahoo.co.in with a copy marked to helpdesk.evoting@cdslindia.com on or before 28th December, 2020 upto 5 p.m. without which the vote shall not be treated as valid.
- X.) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23rd September, 2021. A person who is not a member as on cut off date should treat this notice for information purpose only.
- XI.) The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / beneficial owners as at closing hours of business, on 4th September, 2021.
- XII.) The shareholders shall have one vote per equity share held by them as on the cut-off date of 23rd September, 2021. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- XIII.) Notice of AGM along with the process, instructions and the manner of conducting e-voting is being sent electronically to all the members whose e-mail IDs are registered with the Company / Depository Participant(s).
- XIV.) Investors who became members of the Company subsequent to the dispatch of the Notice / Email and holds the shares as on the cut-off date i.e. 7th September, 2021 are requested to send the written / email communication to the Company at kilgroup2010@gmail.com by mentioning their Folio No. / DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- XV.) Sri Pravin Kumar Droli (Prop. Of M/s. DROLIA & COMPANY) of Kolkata, Practicing Company Secretaries (C.P. No. 1362) has been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI.) The results declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.kabirdasinvestmentslimited.com](http://www.kabirdasinvestmentslimited.com) and website of CDSL and same will be communicated to the stock exchanges where the company shares are listed viz. MSEI Ltd & CSE Ltd.

**By Order of the Board,  
For KABIRDAS INVESTMENTS LIMITED  
Sd/-  
Dipak Mehta  
Managing Director**

**Place: Kolkata  
Date: 5th September, 2021**

# **KABIRDAS INVESTMENTS LIMITED**

## **DIRECTORS' REPORT**

To,

**The Shareholders,**

Your Directors submit their 47TH Annual Report together with the Audited Statements for the Financial Year ended on 31st March, 2021.

## **FINANCIAL RESULTS**

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

	(In "Rs.")	
<b>Particulars</b>	<b>2020-2021</b>	<b>2019-2020</b>
Interest Income	16,35,899	66,14,965
Dividend Income	13,48,775	35,600
Net gain on fair value changes	32,51,301	77,748
Other Income	--	62,265
<b>Total Income</b>	<b>62,35,975</b>	<b>67,90,578</b>
Profit/(Loss) Before Exceptional Items & Taxation	33,19,712	40,67,846
Finance Charges	-	-
Gross Profit	33,19,712	40,67,846
Depreciation	-	-
Net Profit/(Loss) Before Tax	33,19,712	40,67,846
Provision for Tax (including deferred tax)	-	10,15,050
MAT Credit Entitlement	-	-
Net Profit After Tax	33,19,712	30,52,796
Profit/(Loss) brought forward from previous year	606,18,739	5,89,35,014
Adjustment for Income Tax	1,500	(12,347)
Transfer to Statutory Reserve	(26,45,929)	(13,56,724)
<b>Profit/(Loss) carried to Balance Sheet</b>	<b>612,94,022</b>	<b>6,06,18,739</b>

## **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. 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.

## **ACCOUNTING POLICY**

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2016 (as amended) and other relevant provisions of the Act and the provisions of Reserve Bank of India Act, 1934 and guidelines issued by the Securities and Exchange Board of India (SEBI).

## **DIVIDEND:**

With a view to conserve capital, given the challenging situation caused by the ongoing Covid-19 pandemic, the Board of Directors has not recommended any dividend on Equity Shares of the Company for the financial year ended March 31, 2021

## **TRANSFER TO RESERVES:**

The Company after tax has transferred to Special Reserve, in term of Section 45 (1C) of Reserve Bank of India Act, 1934, during the Financial year 2020– 2021.

## **MATERIAL CHANGES AFTER THE BALANCE SHEET DATES AS AT MARCH 31, 2021**

## **KABIRDAS INVESTMENTS LIMITED**

There have been no material changes and commitments between the end of FY 2020-21 and the date of this report, affecting the financial position of the Bank, except the impact of COVID-19 pandemic and enforced lockdown on the business of the Company, details of which are covered under Management Discussion & Analysis, forming part of this Report.

### **DIRECTORS & KEY MANAGERIAL PERSONAL**

As per the recommendation of Nomination & Remuneration Committee Ms. Nupur Mehta, Director of the Company, retires from office by rotation and being eligible offers herself 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 of Directors were carried out at the meeting. The Board of Directors expressed their satisfaction with the evaluation.

### **BOARD MEETINGS:**

The Board of Directors met five times during the financial year ended on 31st March, 2021.

The meetings were held on:

(1)31.07.2020; (2) 26.08.2020; (3)15.09.2020; (4)11.11.2020; (5) 13.02.2021

### **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 comprises of following Independent Directors:

Ms. Nupur Mehta

Mr. Jesal Mehta

Mr. Kunal Kampani and

Ms. Nikita Somani, the Company Secretary.

The terms of reference, inter alia, includes, recommendation for appointment, remuneration and terms of appointment of auditors of the company, reviewing and monitoring the auditor's independence, performance and effectiveness of audit process, examination of the financial statement and the auditors' report thereon, approval or any subsequent modification of transactions of the company with related parties, scrutiny of inter-corporate loans and investments, valuation of undertakings or assets of the company, wherever it is necessary, evaluation of internal financial controls and risk management systems and monitoring the end use of funds raised through public offers and related matters.

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

The Nomination & Remuneration committee comprises of

Ms. Nupur Mehta

Mr. Jesal Mehta

Mr. Kunal Kampani

Ms. Nikita Somani, the Company Secretary

The terms of reference, inter alia, includes formulating criteria for determining qualification, positive

## **KABIRDAS INVESTMENTS LIMITED**

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 comprises of

Smt. Nupur Mehta

Shri Jesal Mehta and

Shri Kunal Kampani as Independent Directors

The Board has delegated the power of transfer of securities and to look into the matters of redressing of the stakeholders/investors complaints to Ms. Nikita Somani, Compliance Officer of the Company in consultation with the Registrar to Issue & Share Transfer Agent of the Company M/s. MCS Share Transfer Agent Limited. The formalities pertaining to transfer of securities is attended at least once in a fortnight and report on transfer of securities is placed before the committee/board of directors in meetings, as and when applicable

### **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 2020-2021 and

## **KABIRDAS INVESTMENTS LIMITED**

- 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. Dipak Mehta, Managing director, to the median remuneration of the employees of the company, for financial year 2020-2021 is 1.11 times. No other Director is drawing any remuneration from the Company.

There is 0.07 decrease in the Median Remuneration of the employees of the company.

There are 4 employees as on as March 31st, 2021.

The Factors considered while recommending increase in remuneration are financial Performance of the Company, Comparison with peer Companies, industry benchmarking, and regulatory guidelines as applicable to Managerial Personnel. The Variables pay is as per policy 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**

Members of the Company at the 47th AGM held on 30th September 2021, approved appointment M/s Ray & Co., Chartered Accountants (ICAI Firm Registration Number 313124E) is appointed as the Statutory Auditors of the Company for a term of 5 consecutive years commencing from the conclusion of 47th AGM of the Company pursuant to Section 139 of the Companies Act, 2013. Report of the Auditors, including reference made therein, to the notes forming part of the Statement of Accounts, are self explanatory and does not require to be elucidated further.

M/s. Ray & Co., have confirmed that they are within the limits specified under Section 141(3)(g) of the Companies Act, 2013 and they are not disqualified to act as Statutory Auditors in terms of the provisions of Sections 139 and 141 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014.

As required under Regulation 33(1)(d) of Listing Regulations, M/s. Ray & Co., have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Statutory Auditors Report to the shareholders for the year under review does not contain any modified opinion or qualifications and the observations and comments given in the report of the Statutory Auditors Notes to accounts are self-explanatory and hence do not call for any further explanation or comments under Section 134(f)(i) of the Companies Act, 2013. During the year under review, the auditors have not reported any fraud under Section 143(12) of the Companies Act, 2013 and therefore, no details are required to be disclosed under Section 134(3)(c)(a) of the Companies Act, 2013.

### **COST AUDITORS**

The Ministry of Corporate Affairs vide Notification dated December 31, 2014, made amendment in the Companies (Cost Records and Audit) Rules, 2014, through Companies (Cost Records and Audit) Amendment

## **KABIRDAS INVESTMENTS LIMITED**

Rules, 2014. As per the Amendment Rules, the Company is exempted from the requirement to conduct Cost Audit.

### **SECRETARIAL AUDIT**

In terms of Section 204 of the Act and Rules made there under, Ms Chetna Goel, 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.

### **ANNUAL RETURN**

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and it can be accessed through the given link-

[http://kabirdasinvestmentslimited.com/uploads/outcome/1630736657Form\\_MGT\\_7.pdfkil.pdf](http://kabirdasinvestmentslimited.com/uploads/outcome/1630736657Form_MGT_7.pdfkil.pdf)

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

Managerial Remuneration Paid during 2020-2021:-

1. Dipak Mehta

Designation- Managing Director

Remuneration Paid- Rs. 600,000

### **The Company has the following Associates Company:**

Faith Suppliers Pvt. Ltd.,

Kinetic Vanijya Pvt. Ltd.,

N Marshall Hitech Engineers Pvt. Ltd.;

### **DIRECTORS / KEY MANAGERIAL PERSONNEL**

There are no changes in Board of Directors or Key Managerial Personal during the year under review.

### **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**

In compliance with SEBI Circular No. CIR/CFD/CMD/6/2015 dated October 13, 2015, the Company has executed a Uniform Listing Agreement with The Metropolitan Stock Exchange of India Limited (MCX-SX), The Calcutta Stock Exchange, where Equity Shares of the Company are listed. Company has paid annual listing fees to both the Stock Exchanges.

### **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 compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a 'Code of Conduct for Regulating, Monitoring and Reporting of Trading by insiders' and 'Code of Fair Disclosure' of Unpublished Price Sensitive Information to ensure prohibition of Insider Trading in the Organization.

The 'Trading Window' is closed when the Compliance Officer determines that a designated person or class of designated persons can reasonably be expected to have possession of Unpublished Price Sensitive Information.



# **KABIRDAS INVESTMENTS LIMITED**

## **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.

## **DEMATERIALISATION OF SHARES**

81.97 % of the company's paid up Equity Share Capital in dematerialized form as on 31st March 2021 and balance 18.03% is in physical form. The Company's Share Transfer Agents is "MCS Share Transfer Agent limited", having its registered office at 383, Lake Gardens, 1st Floor, Kolkata-700045

## **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**

**Dipak Mehta**  
(Managing Director)

**Jesal Mehta**  
(Director)

## **Registered Office:**

7, Camac Street, Azimganj House,  
5th Floor, Unit No. 3B,  
Kolkata – 700017

Date : 30/06/2021

Place : Kolkata

# **KABIRDAS INVESTMENTS LIMITED**

## **Management Discussion and Analysis (Forming part of this report)**

### **1. Economic Outlook**

#### **(a) Global Economy**

The rapid vaccine roll-out in few large economies, led by United States and China, and an increase in global trade in merchandise and manufactured goods, led United Nations to raise its projection for global economic forecast to 5.4% for 2021, in its World Economic Situation and Prospects Report. However, it warned that surging Coronavirus (COVID-19) cases and the adequate availability of vaccines in many countries could threaten a broad-based recovery. It also cautioned that this will unlikely be sufficient to lift the rest of the world's economies. The COVID-19 pandemic left national economies counting the costs, as governments struggled with new lockdown measures to tackle the spread. Despite the development of vaccines, the second wave of infections posed serious downside risks to economies and heightened the possibility of business disruptions. Economic growth in 2020 The International Monetary Fund's (IMF) World Economic Outlook – April 2021, reported that the global economy contracted 3.3% during 2020. Although the contraction of activity was unprecedented, extraordinary policy support prevented even worse economic outcomes. In its April outlook, the IMF stated that even after a full year into the pandemic, global prospects remain uncertain. New virus mutations and the accumulating human toll raise concerns. The biggest concern, by far, is that around 95 Million more people are estimated to have fallen below the threshold of extreme poverty in 2020, compared with the pre-pandemic projections. IMF forecasts global economy to bounce back in 2021 by posting a growth of 6% on the lower base of the previous year, but later moderating to 4.4% in 2022.

#### **(b) Indian Economy**

As per the government data released, the Indian economy is estimated to have contracted by 7.3% during FY 2020-21, compared with 4% in the year earlier, as the pandemic ravaged the economy. The contraction in FY2021 GDP is worst in more than 40 years. In its monthly economic report for April, the Reserve Bank of India (RBI) pointed out that the economic impact of the second wave of the pandemic was disproportionately felt by individuals eking out a daily livelihood and small businesses, both organized as well as unorganized. During FY 2020-21, India's GDP shrunk by 24.4% and 7.3% in the first and second quarters, respectively. The data reflected the deepening of India's severest recessions. However, in the third quarter, the economy witnessed a turnaround with growth coming in at 0.4%, officially signaling that India was out of a recession after two consecutive quarters of degrowth. In the fourth quarter, the Indian economy grew at 1.6%, recording a slight pick-up in GDP growth. This was the second consecutive quarter when India's economy grew in the positive territory after a negative growth in the previous two quarters. However, growth is expected to slow down materially in following quarter following the second wave, which hit Indian economy like a tsunami. Future Outlook In its World Economic Outlook (April 2021), IMF noted that while China has already returned to the pre-COVID GDP level and the US is expected to surpass the pre-COVID GDP level in 2021, India's growth rate is projected to jump by an impressive 12.5% in FY 2021-22. This growth will be stronger than that of China and perhaps the only major economy to have a positive growth during the pandemic. In this event, India would become the fastest growing economy in the world once more and the only one with double-digit growth in 2021. Gauging the situation, RBI, in its Monetary Policy Committee meeting in April 2021, projected that real GDP could be expected to grow at 10.5% in FY 2021-22. However, India's escalating second wave of COVID-19 infections with new mutant spread is posing serious downside risks to the economy and heightened the possibility of business disruptions, in addition to the substantial loss of life and significant humanitarian concerns.

## **KABIRDAS INVESTMENTS LIMITED**

### **2. Industry Structure and Developments**

NBFCs have become important constituents of the financial sector and have been recording higher credit growth than scheduled commercial banks (SCBs) over the past few years. NBFCs are continuously leveraging their superior understanding of regional dynamics, well-developed collection system and personalised services to expedite financial inclusion in India. Lower transaction costs, quick decision making, customer orientation and prompt provision of services have typically differentiated NBFCs from banks. Considering the reach and expanse of NBFCs, these are well suited for bridging the financing gap. Systemically important NBFCs have demonstrated agility, innovation and frugality to provide formal financial services to millions of Indians. Over the last decade, NBFCs have witnessed phenomenal growth. From being around 12% of the balance sheet size of banks in 2010, these are now more than a quarter of the size of banks. NBFCs are the largest net borrowers of funds from the financial system with gross payables of ₹ 9.37 lakh crore as of 30 September 2020. The disruption in business was most severe for NBFCs and HFCs who registered a negative growth of 25% on a year-on-year basis for the period ended December 2020 versus a growth of 47% for the period ended December 2019. Your Company operates in only one segment that is investment Segment and. its main business is acquisition / sale of shares, stock, bonds, etc.

### **3. Opportunities**

The success of any organization depends on its ability to identify strengths and opportunism and leverage them while mitigating the risk that arise while conducting the business. Your Company has taken all these factors into account in drawing up its plan for the future without losing its sight for its core market segments. The NBFC sector has been providing credit to customers in the underserved and unbanked areas. NBFC is integral to the Indian Financial system, augmenting competition and diversification in the financial sector and complementing the banking system. Channeling the savings in capital formation, necessary for India's economic growth and development. There is vast opportunities for NBFC sector to grow. However, your Company operates in only the investment Segment and. its main business is acquisition of shares, stock, bonds, etc. Although Investment Segment is also effected by COVID-19 pandemic as developed in the last quarter of last Financial year, we hope that there will be opportunities for growth till the situations caused by COVID19 is stabilized. India Ratings (Ind-Ra) has maintained stable outlook on retail non-banking finance company (NBFC) for 2021-22.

### **4. Threat**

The key threats for our businesses include volatility of stock market, Liquidity crises created by some of the big corporate players in NBFC sector like IL& FS and DHFL and currency volatility. Besides these, current COVID-19 crisis is also a threats to the business to the NBFC sector. Although, COVID-19 pandemic has resulted in short-term disruptions in the industry in almost all sectors, we hope, long-term drivers, remain good and expect continued expansion of the business activity.

### **5. Risk & Concern**

Risks and concerns are inherent in any business. NBFCs have been already facing liquidity crisis following the bankruptcy of IL&FS and DHFL& Reliance capital during the year 2018-19. The continuing liquidity crunch faced by non-banking financial companies is likely to result in increasing bad loans risks for banks both from these shadow banks as well as from companies relying on such lenders for funding. The spillover of stress among NBFCs to borrowers, and ultimately to banks, will hinder improvements in banks' asset quality, profitability and capital, which is credit negative.

However, your Company does not have direct impact of these defaults in NBFC sector as it operates in only Investment segment. But indirectly it is effected by down turn negative segment in stock market.

## **KABIRDAS INVESTMENTS LIMITED**

The other risks that is related to our Company are RBI policies, industry performance and the general economic outlook of the country.

### **6. Internal Control System**

The Company has well defined and adequate internal control system to safeguard all assets and ensure operational excellence. These systems are being regularly reviewed and wherever necessary are modified or redesigned to ensure better efficiency and effectiveness. The systems are subjected to supervision by the Board of Directors and the Audit Committee. Company complies with all applicable statutes, policies, procedures, listing requirements and management guidelines.

### **7. Human Resource / Industrial Relations**

Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies and processes to meet its business needs. The Company aims to develop the potential of every individual associated with the Company as a part of its business goal. Respecting the experienced and mentoring the young talent has been the bedrock for the Company's growth. Human resources are the principal drivers of change. They push the levers that take futuristic businesses to the next level of excellence and achievement.

### **8. Cautionary Statement:**

The report may contain "forward looking statement" that describes our objectives, plan or goals. All these forward looking statements are subject to certain risks and uncertainties including but not limited to Government action, economic development, global and domestic demand-supply conditions, finished goods prices, raw materials etc that could cause the actual results to differ materially from those contemplated by the relevant forward looking statements. The Company assumes no responsibility in respect of the forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information or events

# **KABIRDAS INVESTMENTS LIMITED**

**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**

as on the financial year ended on 31st March, 2021 of

**KABIRDAS INVESTMENTS LIMITED**

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

## **I PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

- i) CIN : L65993WB1974PLC157598  
ii) Registration Date : 27/12/1974  
iii) Name of the Company : KABIRDAS INVESTMENTS LIMITED  
iv) Company Category : Company limited by Shares  
v) Sub-Category of the Company : Indian Non-Government Company  
vi) Address of the Registered Office : Azimganj House, 7 Camac Street, 5th Floor, Unit-3B  
and contact details : Kolkata-700017  
vii) Whether listed Company : Listed  
viii) Name, Address and contact details of : MCA SHARE TRANSFER AGENT LIMITED  
Registrar & Transfer Agent (RTA) if any : 383 Lake Gardens 1st Floor, Kolkata - 700045

## **II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated.

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Other Credit Activities including pawn shop n.e.c.	65929	100.00%

## **III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	NAME & ADDRESS OF THE COMPANY	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	"% OF SHARES HELD"	"APPLICABLE SECTION"
1	Kinetic Vanijya Pvt. Ltd	U51909WB2010PTC145215	ASSOCIATE	35.21%	2(6)
2	Faith Suppliers Pvt. Ltd	U51909WB2010PTC145217	ASSOCIATE	35.21%	2(6)
3	N Marshall Hitech Engineers Pvt. Ltd	U74210WB1993PTC060390	ASSOCIATE	33.96%	2(6)

# **KABIRDAS INVESTMENTS LIMITED**

## **N. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

### **(i) Category-wise Share Holding**

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				Percent Change the during year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>Promoters</b>									
<b>(1)</b>	<b>Indian</b>									
	(a) Individual/HUF	14,000	0	14,000	0.35	14,000	0	14,000	0.35	0.00
	(b) Central Govt									
	(c) State Govt (s)									
	(d) Bodies Corp.	1,736,784	0	1,736,784	43.89	1,736,784	0	1,736,784	43.89	0.00
	(e) Banks / FI									
	(f) Any Other....									
	<b>Sub-total (A) (1):-</b>	<b>1,750,784</b>	<b>0</b>	<b>1,750,784</b>	<b>44.24</b>	<b>1,750,784</b>	<b>0</b>	<b>1,750,784</b>	<b>44.24</b>	<b>0</b>
<b>(2)</b>	<b>Foreign</b>									
	(a) NRIs -									
	Individuals									
	(b) Other –									
	Individuals									
	(c) Bodies Corp.									
	(d) Banks / FI									
	(e) Any Other....									
	<b>Sub-total (A) (2):-</b>	<b>1,750,784</b>	<b>0</b>	<b>1,750,784</b>	<b>44.24</b>	<b>1,750,784</b>	<b>0</b>	<b>1,750,784</b>	<b>44.24</b>	<b>0</b>
	<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>1,750,784</b>	<b>0</b>	<b>1,750,784</b>	<b>44.24</b>	<b>1,750,784</b>	<b>0</b>	<b>1,750,784</b>	<b>44.24</b>	<b>0</b>
<b>B.</b>	<b>Public Shareholding</b>									
<b>1.</b>	<b>Institutions</b>									
	(a) Mutual Funds									
	(b) Banks / FI									
	(c) Central Govt									
	(d) State Govt(s)									
	(e) Venture Capital Funds									
	(f) Insurance Companies									
	(g) FIs									
	(h) Foreign Venture Capital Funds									
	(i) Others (specify)									
	<b>Sub-total (B)(1):-</b>									
<b>2.</b>	<b>Non-Institutions</b>									
	(a) Bodies Corp.	1,367,117	7,360	1,374,477	34.73	1,367,117	7,360	1,374,477	34.73	0.00
	(i) Indian									
	(ii) Overseas									
	(b) Individuals									
	(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	122,760	505,389	628,149	15.87	122,760	505,389	628,149	15.87	0.00
	(ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakh									
	(c) Others (specify)									
	(j) N.R.I.	1,760	202,000	203,760	5.15	1,760	202,000	203,760	5.15	0.00
	<b>Sub-total (B)(2):-</b>	<b>1,491,637</b>	<b>714,749</b>	<b>2,206,386</b>	<b>55.76</b>	<b>1,491,637</b>	<b>714,749</b>	<b>2,206,386</b>	<b>55.76</b>	<b>0.00</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>									
	C. Shares held by Custodian for GDRs & ADRs									
	<b>Grand Total (A+B+C)</b>	<b>3,242,421</b>	<b>714,749</b>	<b>3,957,170</b>	<b>100</b>	<b>3,242,421</b>	<b>714,749</b>	<b>3,957,170</b>	<b>100</b>	<b>0</b>

# **KABIRDAS INVESTMENTS LIMITED**

## (ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in shareholding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Sri Pratap Singh Bhutoria	14,000	0.35	-	14,000	0.35	-	0.00
2	M/s Avighna Traders Pvt. Ltd	457,958	11.57	-	457,958	11.57	-	0.00
3	M/s Faith Suppliers Pvt. Ltd.	639,413	16.16	-	639,413	16.16	-	0.00
4	M/s Kinetic Vanijya Pvt. Ltd.	639,413	16.16	-	639,413	16.16	-	0.00
	<b>Total</b>	<b>1,750,784</b>	<b>44.24</b>	<b>-</b>	<b>1,750,784</b>	<b>44.24</b>	<b>-</b>	<b>0.00</b>

## (iii) Change In Promoters' Shareholding (please specify, if there is no change)

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the allotment / transfer	Nil	Nil	Nil	Nil
	<b>At the end of the year</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

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

Sl No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
<b>1</b>	<b>Varanasi Commercial Ltd.</b>				
	a) At the beginning of the year	590,265	14.92		
	"b) Changes during the year"			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			590,265	14.92
<b>2</b>	<b>Perfect Finvest Pvt. Ltd.</b>				
	a) At the beginning of the year	196,400	4.96		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			196,400	4.96
<b>3</b>	<b>Foresight Realtors Pvt. Ltd.</b>				
	a) At the beginning of the year	196,000	4.95		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			196,000	4.95
<b>4</b>	<b>Ornamental Fabrications Pvt. Ltd.</b>				
	a) At the beginning of the year	194,052	4.90		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			194,052	4.90
<b>5</b>	<b>Popular Infrastructure Pvt. Ltd</b>				
	a) At the beginning of the year	190,000	4.80		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			190,000	4.80

## **KABIRDAS INVESTMENTS LIMITED**

<b>6</b>	<b>Sushil Narendra Shah</b>				
	a) At the beginning of the year	80,000	2.02		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			80,000	2.02
<b>7</b>	<b>Shri Indra Kumar Bagri</b>				
	a) At the beginning of the year	7,540	0.19		
	"b) Changes during the year"			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			7,540	0.19
<b>8</b>	<b>Shri N.C. Mohanty</b>				
	a) At the beginning of the year	5,000	0.13		
	b) Changes during the year			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			5,000	0.13
<b>9</b>	<b>Libbas Impex Pvt. Ltd.</b>				
	a) At the beginning of the year	4,800	0.12		
	"b) Changes during the year"			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			4,800	0.12
<b>10</b>	<b>Shri Anand Yogendra Desai</b>				
	a) At the beginning of the year	4,800	0.12		
	"b) Changes during the year"			[NO CHANGES DURING THE YEAR]	
	c) At the end of the year			4,800	0.12

### (v) Shareholding of Directors and Key Managerial Personnel:

Sl No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bon us / sweat equity etc.)	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

## **V. INDEBTEDNESS**

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
● Additions		-	-	-
● Reduction		-	-	-
<b>Net Change</b>	-	-	-	
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-



## **KABIRDAS INVESTMENTS LIMITED**

### **VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIA PERSONNEL**

#### **A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Dipak Mehta (Managing Director)		
1.	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income Tax Act. 1961. (b) Value of perquisites u/s 17(2) of the Income tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	600000		600000
2	Stock Option	NIL		NIL
3	Sweat Equity	NIL		NIL
4	Commission	NIL		NIL
	- as % of profit			
	- others, specify...			NIL
5	Others, please specify	NIL		NIL
	Total (A)	NIL		NIL
	Ceiling as per the Act			

#### **B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Jesal Mehta	Kunal Kampani	Nupur Mehta	
1.	Independent Directors				
	Non-Independent Director				
	Fee for attending board /committee meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others, please specify	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL
	Other Non-Executive Directors	NIL			
	Fee for attending board /committee meetings	NIL			
	Commission	NIL			
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

## **KABIRDAS INVESTMENTS LIMITED**

### **C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
		Nikita Somani	Madhusudan Sharma	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	5,40,000	2,63,220	8,03,220
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	5,40,000	2,63,220	803,220

### **VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/ NCLT/ COURT]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL---
Compounding	NIL	NIL	NIL	NIL	NIL---

# **KABIRDAS INVESTMENTS LIMITED**

## **Form-AOC 1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

### **Part "B": Associates and Joint Ventures**

Statement pursuant to Section 129 (3) of the Companies Act ,2013 related to Associate Companies and Joint venture

<b>Name of Associates / Joint Venture</b>	<b>Name 1</b>	<b>Name 2</b>	<b>Name 3</b>
	<b>Faith Suppliers Pvt. Ltd.</b>	<b>Kinetic Vanijya Pvt. Ltd.</b>	<b>N Marshall HitechEngineers Pvt. Ltd.</b>
1. Latest audited Balance Sheet Date	31/03/2021	31/02/2021	31/03/2021
2. Shares of Associate /joint Ventures held by the company on the year end			
No. of Shares	490000	490,000	1,06,200
Amount of Investment in Associates / Joint Venture	50,00,000	50,00,000	4,25,862
Extend of Holding %	35.21%	35.21%	33.96%
3. Description of how there is significant influence	By virtue of the percentage of the Equity Shareholding		
4. Reason why the associate / joint Venture is not consolidated	-		
5. Networth attributable to shareholding as per latest audited Balance Sheet	`4,878,270	`4,885,202	`1,883,197
<b>6. Profit / Loss for the year</b>	(22478)	(22486)	170932
i. Considered in Consolidation	(7915)	(7917)	58049
ii. Not Considered in Consolidation	-	-	-

Note: \* Shares are pending for Transfer in the name of the Company

# **KABIRDAS INVESTMENTS LIMITED**

## **FORM NO MR-3**

### **SECRETARIAL AUDIT REPORT**

#### **FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014]

To,  
The Members,  
Kabirdas Investments Limited  
Azimganj House, Unit no 3B,  
5th floor, 7, Camac Street,  
Kolkata-700017

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KABIRDAS INVESTMENTS LIMITED** (hereinafter called "the Company" having **CIN: L65993WB1974PLC157598**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms, returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives digitally during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company digitally for the financial year ended on 31st March, 2021 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) SEBI (Depositories and Participants) Regulations 2018,
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- (Not applicable to the Company during the Audit Period).**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')- as applicable to the Company during the period under review:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended till date;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended till date
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(not applicable to the Company during the above audit period.)**
  - d) The Securities and Exchange Board of India (Shares based employee benefit) Regulations 2014- (Not applicable to the Company during the Audit Period).**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - **(Not applicable to the Company during the Audit Period).**
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents)

## **KABIRDAS INVESTMENTS LIMITED**

- Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2018 as amended - **(Not applicable to the Company during the Audit Period).**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 as amended - **(Not applicable to the Company during the Audit Period).**
  - i) The Securities and Exchange Board of India (Issue and listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 (Not applicable to the Company during the Audit Period)
- vi) Reserve Bank of India Act, 1934 and various directions issued by Reserve Bank of India, so far as applicable to Non-Banking Financial Companies and other acts and regulations which may be applicable to the Company as per **Annexure A**

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

- i) Secretarial Standards (SS1 and SS2) as applicable to the Company issued by The Institute of Company Secretaries of India regarding holding of Board meeting and Member's meeting
- ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange

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

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Women Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried with complying with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

I further report that during the audit period, the Company has not made any:

- (i) Public/Right/Preferential issue of Shares/Debentures/Sweat Equity.
- (ii) Redemption / buy-back of securities.
- (iii) Major decisions taken by the Members in pursuance to section 180 of the Companies Act, 2013.
- (iv) Merger/Amalgamation/Reconstruction etc.
- (v) Foreign technical collaborations.

**Place: Kolkata**  
**Date: 30/06/2021**

**ACS No: 63287, CP 23732**  
**UDIN: A063287C000520238**

# **KABIRDAS INVESTMENTS LIMITED**

**'Annexure A'**

To,  
The Members,  
Kabirdas Investments Limited  
Azimganj House, Unit no 3B,  
5th floor, 7, Camac Street,  
Kolkata-700017

- (i) The payment of gratuity Act 1972
- (ii) The Employees Provident Fund and Miscellaneous Provisions Act
- (iii) Indian Contract Act, 1872
- (iv) Income Tax Act, 1961
- (v) Indian Stamp Act, 1999
- (vi) Minimum Wages Act, 1948
- (vii) Negotiable Instruments Act, 1881
- (viii) West Bengal Shop & Establishment Act
- (ix) Profession Tax Act
- (x) The Employee state Insurance Act

**Place: Kolkata**  
**Date: 30/06/2021**

**ACS No: 63287, CP 23732**  
**UDIN: A063287C000520238**

**Note:**

This report is to be read with our letter of even date which is annexed as Annexure B and forms an integral part of this report.

# **KABIRDAS INVESTMENTS LIMITED**

**'Annexure B'**

To,  
The Members,  
Kabirdas Investments Limited  
Azimganj House, Unit no 3B,  
5th floor, 7, Camac Street,  
Kolkata-700017

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis of my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules, and regulations and happenings of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. I have not carried out the physical verification of any records due to prevailing condition of COVID 2019 in the Country. I have relied on the records as made available by the Company through digital mode as well as I have also relied on the management representation made by the Company.

**Place: Kolkata**  
**Date: 30/06/2021**

**(CHETANA GOEL)**  
**Practicing Company Secretary**  
**ACS no.: 63287, CP 23732**  
**UDIN: A063287C00052023**

# **KABIRDAS INVESTMENTS LIMITED**

## **Independent Auditor's Report**

To the Members of

### **KABIRDAS INVESTMENTS LIMITED**

#### **Report on the Standalone Financial Statements**

##### **Opinion**

1. We have audited the accompanying standalone financial statements of Kabirdas Investments Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

##### **Basis for Opinion**

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

##### **Emphasis of Matter**

4. We draw attention to note no 21 of the Standalone Financial Statements as regards to the management evaluation of COVID-19 impact on the present and future performance of the company. Further, due to the prevailing COVID-19 pandemic, the Government has ordered lock down whereby the physical movement has been restricted and as a law abiding professional, our firm is in complete compliance of the same. Thus, we could not visit the Company's office and as a result the whole audit has been conducted from a remote location through electronic media. In view thereof, no physical verification or inspection of the relevant documents and records could be possible and as such we have relied upon the soft and scanned copies of documents and the information made available to us electronically.

Our opinion is not modified in respect of this matter.

##### **Key Audit Matter**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.
6. We have determined that there are no key audit matters to communicate in our report.

##### **Information other than the Financial Statements and Auditor's Report thereon**

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.



## **KABIRDAS INVESTMENTS LIMITED**

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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.
9. In preparing these standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible

## **KABIRDAS INVESTMENTS LIMITED**

for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
  - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
13. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
14. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **Report on Other Legal and Regulatory Requirements**

15. 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 Aa statement on the matters specified in paragraphs 3 and 4 of the Order.
16. As required by section 143(3) of the Act, based on our audit, 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 accompanying standalone financial statements;
  - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) the standalone financial statements dealt with by this report are in agreement with the books of account;
  - d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;
  - e) on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;
  - f) As required by section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.
  - g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 30 June 2021 as per Annexure B expressed unmodified opinion; and

## **KABIRDAS INVESTMENTS LIMITED**

- h) 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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, does not have any pending litigation which would impact its financial position as at 31 March 2021;
  - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021; and
  - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021.
17. 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:
- (i) 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;
  - (ii) 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 31st March 2021;
  - (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, Indian 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.

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

**Kshitiz Chhawchharia**  
Partner  
Membership No.: 061087

Place : Kolkata  
Date : June 30, 2021  
UDIN: 21061087AAAAAP6265

# **KABIRDAS INVESTMENTS LIMITED**

## **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 31st March, 2021**

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, goods and service tax, duty of customs, duty of excise, 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, goods and service tax, duty of customs and duty of excise 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.

## **KABIRDAS INVESTMENTS LIMITED**

- (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.**

Chartered Accountants  
Firm's Registration No.: 305123E

**Kshitiz Chhawchharia**

Partner  
Membership No.: 061087

Place : Kolkata  
Date : June 30, 2021  
UDIN: 21061087AAAAAP6265

# **KABIRDAS INVESTMENTS LIMITED**

## **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 2021, 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

## **KABIRDAS INVESTMENTS LIMITED**

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 2021, 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.

**For B Chhawchharia & Co.**

Chartered Accountants  
Firm's Registration No.: 305123E

**Kshitiz Chhawchharia**

Partner  
Membership No.: 061087

Place : Kolkata

Date : June 30, 2021

UDIN: 21061087AAAAAP6265

# **KABIRDAS INVESTMENTS LIMITED**

## **Standalone Balance Sheet as at 31st March, 2021**

(In Rs.)

Particulars	Note No.	As at Mar 31, 2021	As at Mar 31, 2020
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	572,639	782,397
(b) Loans	4	11,200,708	11,239,727
(c) Investments	5	103,052,135	72,690,131
(d) Other Financial Assets		-	-
<b>(2) Non-Financial Assets</b>			
(a) Current Tax Assets (net)	6	258,060	92,417
(b) Deferred Tax Assets (net)		-	-
(c) Other non-financial assets	7	26,318	25,000
<b>TOTAL ASSETS</b>		<b>115,109,860</b>	<b>84,829,672</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>		-	-
<b>(2) Non-Financial Liabilities</b>			
(a) Current Tax Liabilities (net)		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (net)		-	-
(d) Other non-financial liabilities	8	136,683	777,704
<b>(3) Equity</b>			
(a) Equity Share Capital	9	3,957,170	3,957,170
(b) Other Equity	10	111,016,007	80,094,798
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>115,109,860</b>	<b>84,829,672</b>

Significant accounting policies and notes to financial statements 2

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

As per our report of even date

**For B Chhawchharia & Co.**

Firm Registration No.: 305123E

Chartered Accountants

**Kshitiz Chhawchharia**

Partner

M. No. 061087

**For and on behalf of the Board**

**Dipak Mehta**

Managing Director

(DIN: 01274012)

**Jesal Mehta**

Director

(DIN: 05247092)

Place : Kolkata

Date : 30th June, 2021

**Madhusudan Sharma**

Chief Financial Officer

**Nikita Somani**

Company Secretary



# **KABIRDAS INVESTMENTS LIMITED**

## **Statement of Standalone Profit and Loss for the year ended 31st March 2021**

(In Rs.)

Particulars	Note No.	Period ended March 31, 2021	Period ended March 31, 2020
<b>Revenue from operations</b>			
(i) Interest Income	11	1,635,899	6,614,965
(ii) Dividend Income		1,348,775	35,600
(iii) Net gain on fair value changes	12	3,251,301	77,748
<b>I. Total Revenue from operations</b>		<b>6,235,975</b>	<b>6,728,313</b>
<b>II. Other income</b>	13	-	62,265
<b>III. Total Income (I+II)</b>		<b>6,235,975</b>	<b>6,790,578</b>
<b>Expenses</b>			
(i) Employee benefits expenses	14	2,276,895	1,884,379
(ii) Other expenses	15	639,368	838,354
<b>IV. Total Expenses (IV)</b>		<b>2,916,263</b>	<b>2,722,733</b>
<b>V. Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>3,319,712</b>	<b>4,067,846</b>
<b>VI. Exceptional Items</b>			-
<b>VII. Profit/ (loss) before tax (V-VI)</b>		<b>3,319,712</b>	<b>4,067,846</b>
<b>VIII. Tax expense:</b>			
(1) Current tax		-	1,015,050
(2) Deferred tax		-	-
<b>IX. Profit/ (loss) for the period from continuing operations (VII-VIII)</b>		<b>3,319,712</b>	<b>3,052,796</b>
<b>X. Profit/ (loss) from discontinued operations</b>		-	-
<b>XI. Tax expense of discontinued operations</b>		-	-
<b>XII. Profit/ (loss) from discontinued operations (after tax) (X-XI)</b>		-	-
<b>XIII. Profit/ (loss) for the period (IX+XII)</b>		<b>3,319,712</b>	<b>3,052,796</b>
<b>XIV. Other Comprehensive Income:</b>			
A (i) Items that will not be reclassified to profit or loss (specify items and amounts) Equity Instruments		27,599,997	(16,473,187)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Subtotal (A)</b>		<b>27,599,997</b>	<b>(16,473,187)</b>
B (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>XV. "Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit (Loss) and Other Comprehensive Income for the period)"</b>		<b>30,919,709</b>	<b>(13,420,392)</b>
<b>XVI. Earning per equity share (for continuing operations):</b>			
(1) Basic	16	0.84	0.77
(2) Diluted		0.84	0.77
<b>XVII. Earning per equity share (for discontinued operations):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>XVIII. Earning per equity share (for discontinued and continuing operation):</b>			
(1) Basic		0.84	0.77
(2) Diluted		0.84	0.77

Significant accounting policies and notes to financial statements

2

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

As per our report of even date

**For B Chhawchharia & Co.**

Firm Registration No.: 305123E

Chartered Accountants

**Kshitiz Chhawchharia**

Partner

M. No. 061087

**For and on behalf of the Board**

**Dipak Mehta**  
Managing Director  
(DIN: 01274012)

**Jesal Mehta**  
Director  
(DIN: 05247092)

Place : Kolkata  
30th June, 2021

**Madhusudan Sharma**  
Chief Financial Officer

**Nikita Somani**  
Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

## **Standalone Cash Flow Statement for the year ended 31st March 2021**

	31st March, 2021	31st March, 2020
<b>Cash flow from operating activities</b>		
Net Profit/(loss) before tax	3,319,712	4,067,846
Provision on Standard Asset	-	-
Interest on IT refund	-	(62,265)
Dividend	(1,348,775)	(35,600)
Fair Value Changes	(3,251,301)	(77,748)
Operating profit before working capital changes	<b>(1,280,364)</b>	<b>3,892,232</b>
Movements in working capital :		
Increase/(decrease) in other non financial liabilities	(641,021)	711,828
Decrease/(increase) in loans and advances	37,701	59,082,667
<b>Cash generated from / (used in) operations</b>	<b>(1,883,684)</b>	<b>63,686,727</b>
Direct taxes paid/Adjusted (net of refunds)	(164,143)	(312,498)
<b>Net Cash flow from / (used in) operating activities (A)</b>	<b>(2,047,827)</b>	<b>63,374,229</b>
Cash flow from investing activities		
Proceeds from sale/ (purchase) of investments (Net)	(2,762,007)	(63,954,528)
Dividend	1,348,775	5,600
Fair Value Changes	3,251,301	77,748
<b>Net Cash flow from / (used in) investing activities (B)</b>	<b>1,838,069</b>	<b>(63,841,179)</b>
Cash flow from financing activities	-	-
<b>Net Cash flow from / (used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(209,758)	(466,951)
Cash and cash equivalents at the beginning of the year	782,397	1,249,348
<b>Cash and cash equivalents at the end of the year</b>	<b>572,639</b>	<b>782,397</b>
Components of cash and cash equivalents		
Cash on hand	48,993	63,953
Balances with Banks in Current Account	523,646	718,444
<b>Total cash and cash equivalents</b>	<b>572,639</b>	<b>782,397</b>

As per our report of even date

**For B Chhawchharia & Co.**

Firm Registration No.: 305123E

Chartered Accountants

**Kshitiz Chhawchharia**

Partner

M. No. 061087

**For and on behalf of the Board**

**Dipak Mehta**

Managing Director

(DIN: 01274012)

**Jesal Mehta**

Director

(DIN: 05247092)

Place : Kolkata

Date : 30th June, 2021

**Madhusudan Sharma**

Chief Financial Officer

**Nikita Somani**

Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

**Statement of changes in Equity for the period ended March, 31, 2021**

**A. Equity Share Capital**

(in Rs.)

Balance as at April 1, 2020	3,957,170
Changes in equity share capital during the year	-
Balance as at March 31, 2021	3,957,170

**B. Other Equity**

Particulars	Reserve Fund	Reserves and Surplus				Equity instruments through Other Comprehensive Income	Total
		Capital Redemption Reserve	General Reserve On Amalgamation	General Reserve	Retained earnings		
<b>As at March 31, 2021</b>							
Balance as at April 01, 2020	9,587,500	1,000	23,300,330	6,472,850	60,618,739	(19,885,621)	80,094,798
Profit for the year	-	-	-	-	3,319,712	27,599,997	30,919,709
Transfer from/to Retained Earnings	664,000	-	-	-	(2,645,929)	1,981,929	-
Total comprehensive income for the year	-	-	-	-	-	9,696,305	-
Any other change- op adj	-	-	-	-	1,500	-	1,500
<b>Balance at March 31, 2021</b>	<b>10,251,500</b>	<b>1,000</b>	<b>23,300,330</b>	<b>6,472,850</b>	<b>61,294,022</b>	<b>9,696,305</b>	<b>111,016,007</b>
<b>As at March 31, 2020</b>							
Balance as at April 01, 2019	8,976,500	1,000	23,300,330	6,472,850	58,935,014	(4,158,157)	93,527,537
Profit for the year	-	-	-	-	3,052,796	(16,473,187)	(13,420,392)
Transfer from/to Retained Earnings	611,000	-	-	-	(1,356,724)	745,724	-
Total comprehensive income for the year	-	-	-	-	60,631,086	(19,885,621)	-
Any other change- IT adj	-	-	-	-	(12,347)	-	(12,347)
<b>Balance at March 31, 2020</b>	<b>9,587,500</b>	<b>1,000</b>	<b>23,300,330</b>	<b>6,472,850</b>	<b>60,618,739</b>	<b>(19,885,621)</b>	<b>80,094,798</b>

As per our report of even date

**For B Chhawchharia & Co.**

**For and on behalf of the Board**

Firm Registration No.: 305123E  
Chartered Accountants

**Kshitiz Chhawchharia**  
Partner  
M. No. 061087  
Place : Kolkata  
Date : 31st July, 2020

**Dipak Mehta**  
Managing Director  
(DIN: 01274012)

**Madhusudan Sharma**  
Chief Financial Officer

**Jesal Mehta**  
Director  
(DIN: 05247092)

**Nikita Somani**  
Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

## **Notes to the standalone financial statements for the year ended 31st March, 2021**

### **1. COMPANY OVERVIEW**

Kabirdas Investments Limited ('the Company') is a public limited company incorporated and domiciled in India and has its registered office at Azimganj House, 7 Camac Street, Unit No 3B, 5th Floor, Kolkata 700017. The company is engaged in the business of investments and financing. The company has its primary listings on Metropolitan Stock Exchange of India Limited and Calcutta Stock Exchange Limited. The Company is registered as Non-Systematically Important, Non-Deposit taking Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India Act, 1934.

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these Standalone Ind AS Financial Statements are set out as below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **a. Basis of Preparation and Presentation of Standalone Ind AS Financial Statements**

##### **(i) Compliance with Ind AS**

These standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under Section 133 of the Companies Act, 2013 ("the Act") read together with the Companies (Indian Accounting Standards) Rules, 2016 (as amended) and other relevant provisions of the Act and other accounting principles generally accepted in India.

##### **(ii) Historical Cost Convention**

These financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS), under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values.

##### **(iii) Use of Estimates and Judgements**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

##### **(iv) Fair value measurements**

###### **Fair value hierarchy**

Fair value is the price that would be received on sale of an asset or paid on derecognition of a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurements.

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using

## **KABIRDAS INVESTMENTS LIMITED**

valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value value as on March 31, 2021 and March 31, 2020.

There has been no change in the valuation methodology for Level 3 inputs during the year. There were no transfers between Level 1 and Level 2 during the year.

### **(b) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at banks and on hand, which are subject to an insignificant risk of change in value.

### **(c) Accounting for Taxes on Income**

Income Tax expenses comprise current tax and deferred tax charge or credit.

#### **(i) Current Tax**

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

#### **(ii) Deferred Tax**

Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis. ntends to settle its current tax assets and liabilities on a net basis.

## **KABIRDAS INVESTMENTS LIMITED**

### **(d) PROPERTY, PLANT AND EQUIPMENT**

#### **(i) Tangible Assets**

##### **Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and investment property recognised as of 1 April, 2018 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

##### **Recognition and Measurement**

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at historical cost less any accumulated depreciation and accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

##### **Subsequent Measurement**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

##### **Depreciation and Amortization**

Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

##### **Disposal of Assets**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

### **(e) Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Companies satisfy a performance obligation by transferring a promised goods or service to a customer.

#### **(i) Interest Income**

Interest income is recognised using the effective interest rate, 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) Dividend Income**

Dividend income is recognised when the right to receive payment is established.

#### **(iii) Income from investment**

Profit / (loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on FIFO basis.

## **KABIRDAS INVESTMENTS LIMITED**

(iv) All other income are accounted for on accrual basis unless otherwise specified

### **(f) Employee Benefits**

- (i) Short term Employee benefits are accrued in the year services are rendered by the employees.
- (ii) Contribution to defined contribution plans such as Provident Fund etc. is being made in accordance with the statute and are recognized as and when incurred. Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Other costs recognised in the Statement of Profit or Loss.
- (iii) Other long term employee benefits consisting of Leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain or loss are recognised in the Statement of Profit or Loss.

### **(g) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **(i) Financial assets**

##### **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

##### **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL);
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI). Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the

## **KABIRDAS INVESTMENTS LIMITED**

statement of profit and loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

### **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses (ECL) in associates with its debt instruments carried at amortised cost and with the exposure arising from loan commitments and other financial assets. The company recognises a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customer defaulting and the resulting losses).

### **Write-off policy**

The Company writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has conducted there is no reasonable expectation of recovery.

## **(ii) Financial Liabilities**

### **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

### **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain



## **KABIRDAS INVESTMENTS LIMITED**

or loss on derecognition is also recognized in statement of profit or loss.

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### **(h) Investment in associates**

The Company accounts for its investments in associates at cost less accumulated impairment, if any.

### **(i) Earnings per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### **(j) Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### **(k) Provision, Contingent Liabilities and Contingent Assets, legal or constructive**

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The company makes provision for Standard, Restructured and Non-performing Assets as per the Master Direction - Non-Banking Financial Company –Non-Systemically 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.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be

## **KABIRDAS INVESTMENTS LIMITED**

required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable

### **(l) Critical estimates and judgements**

The Company makes estimates and assumptions that affect the amounts recognised in the Standalone Ind AS financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have most significant effect on the amount recognised in the Standalone Ind AS financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following;

#### **Estimation of fair value of unlisted investment**

The fair value of financial instrument that are not traded in an active market is determined using valuation techniques. The Company use its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of key assumptions used and the impact of changes to these assumptions.

#### **Impairment of financial assets using the expected credit loss method**

The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market condition as well as forward looking estimates at the end of each reporting period.

#### **Current Tax**

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

#### **Deferred Tax**

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Recognition therefore involves judgement regarding the future financial performance of the Company.

#### **Provisions and Contingencies**

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the balance sheet date.

### **(m) Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

# **KABIRDAS INVESTMENTS LIMITED**

## **Notes to the standalone Financial Statements for the year ended 31st March, 2021**

	<b>31 March, 2021</b>	<b>31 March, 2020</b>		
<b>3 Cash and cash equivalents</b>				
(a) Cash on hand	48,993	63,953		
(b) Balances with Banks in Current Accounts	523,646	718,444		
	<b>572,639</b>	<b>782,397</b>		
<b>4 Loans</b>				
<b><u>At fair value designated through profit &amp; loss</u></b>				
(A) (i) Others- Inter-Corporate Deposits	11,375,708	11,414,727		
Total (A) – Gross	11,375,708	11,414,727		
Less: Impairment loss allowance	(175,000)	(175,000)		
Total (A) Net	<b>11,200,708</b>	<b>11,239,727</b>		
(B) (i) Unsecured	11,375,708	11,414,727		
Total (B)-Gross	11,375,708	11,414,727		
Less: Impairment loss Allowance	(175,000)	(175,000)		
Total (B)-Net	11,200,708	11,239,727		
(C) (I) Loans in India				
(i) Public Sector	-	-		
(ii) Others - Inter Corporate	11,200,708	11,239,727		
Total (C)-Gross	11,200,708	11,239,727		
Less: Impairment loss Allowance	-	-		
Total (C) (I)-Net	11,200,708	11,239,727		
<b>5 Investments</b>				
<b>(a) Investments in Equity Instruments (Quoted)</b>				
	<b>31 March, 2021</b>	<b>31 March, 2020</b>		
	<b>Qty</b>	<b>Qty</b>		
	<b>Amount</b>	<b>Amount</b>		
	<b>(in Rs)</b>	<b>(in Rs)</b>		
<b><u>Others (at Fair Value Through Other Comprehensive Income)</u></b>				
Ashiana Housing Limited	48,690	6,407,604	21,600	1,075,680
Axis Bank Limited	-	-	1,600	606,400
Bajaj Consumer Care Ltd.	3,600	935,640	3,600	476,820
Bank of Baroda Ltd.	34,000	2,519,400	71,500	3,828,825
Ceeta Industries Ltd	100	969	100	395
Central Depository Services Ltd.	2,800	1,836,940	-	-
Century Plyboards India Ltd.	17,000	5,410,250	-	-
Electrosteel Castings Ltd	305,000	7,625,000	305,000	2,836,500
Emami Ltd.	5,000	2,430,000	5,000	849,750
Ester Industries Ltd.	71,500	8,347,625	-	-
Firstsource Solutions	111,500	12,699,850	-	-
Godrej Consumer Products Ltd.	-	-	1,000	520,850
Gail (India) Ltd.	16,600	2,249,300	-	-
Greenply Industries Ltd.	6,000	1,023,300	-	-
Hawkins Cooker Ltd	-	-	689	2,675,835
Housing Development Finance Corporation Ltd.	-	-	660	1,077,846
HDFC Asset Management Company Ltd.	-	-	620	1,309,936
HDFC Bank Ltd.	-	-	4,245	3,658,766
HDFC Life Insurance Company Ltd.	1,100	765,820	1,100	485,485
Hindustan Unilever Ltd.	-	-	500	1,149,250
IDBI Bank Ltd.	13,800	531,990	-	-
ICICI Bank Ltd.	-	-	2,700	874,125

## **KABIRDAS INVESTMENTS LIMITED**

ITC Ltd.	24,400	5,331,400	24,400	4,189,480
Kolte Patil Developers Ltd.	17,135	3,875,080		
La Opala RG Ltd.	11,000	2,439,800	11,000	1,623,050
Marico Ltd.	-	-	3,900	1,071,915
NTPC Ltd.	10,500	1,118,775		
Radico Khaitan Ltd.	4,000	2,240,200		
State Bank of India Ltd.	-	-	12,500	2,460,625
SBI Cards and Payment Services Ltd.	46	42,700	46	28,458
SBI Life Insurance Company Ltd.	1,620	1,426,977	1,620	1,038,420
Sharda Motor Industries Ltd.	3,997	7,850,308		
Sunteck Realty Ltd.	17,850	<u>5,005,140</u>		
		<b><u>82,114,068</u></b>		<b><u>31,838,410</u></b>

### **(b) Investments in Equity Instruments (Unquoted)**

#### **Associates (at Deemed Cost)**

Kinetic Vanijya Pvt. Ltd.	490,000	5,000,000	490,000	5,000,000
Faith Suppliers Pvt. Ltd.	490,000	5,000,000	490,000	5,000,000
N Marshall Hitech Engineers Pvt. Ltd.	106,200	425,862	106,200	425,862

#### **Others (at Fair Value Through Other Comprehensive Income)**

Avighna Traders Pvt. Ltd.	153,600	1,509,888	153,600	1,513,071
Shaant Infosystems Pvt Ltd	3,750	<u>37,500</u>	3,750	<u>37,500</u>
		<b><u>11,973,250</u></b>		<b><u>11,976,433</u></b>

### **(c) Investments in Mutual Funds (Unquoted)**

#### **Others (at Fair Value through Profit & Loss)**

HDFC Cash Management Fund - TAP- Retail- RP (Growth)	37,269.410	1,677,500	568,241.931	23,909,745
HDFC Index Fund- Nifty 50 Plan Direct	53,362.779	<u>7,287,317</u>	<u>62,503.28</u>	<u>4,965,542</u>
		<b><u>8,964,817</u></b>		<b><u>28,875,287</u></b>

#### **Aggregate Amount of**

Investment at Deemed Cost		10,425,862		10,425,862
Investment at FVTPL		8,964,817		28,875,287
Investment at FVTOCI		<u>83,661,456</u>		<u>33,388,981</u>
		<b><u>103,052,135</u></b>		<b><u>72,690,131</u></b>

Note: No investment made outside India.

	<b><u>31 March, 2021</u></b>	<b><u>31 March, 2020</u></b>
<b>6 Current Tax Assets (net)</b>		
Opening Balance	92,418	745,052
Less: Provisions - for Income Tax	92,418	1,015,050
Add: Income Tax Advances & TDS	<u>258,060</u>	<u>362,416</u>
	<b><u>258,060</u></b>	<b><u>92,418</u></b>
<b>7 Other Non Financial Assets</b>		
Security Deposit	25,000	25,000
Other Receivables	<u>1,318</u>	<u>-</u>
	<b><u>26,318</u></b>	<b><u>25,000</u></b>
<b>8 Other Non Financial Liabilities</b>		
Statutory dues payable	13,040	13,848
Other payables (Year end liabilities)	<u>123,643</u>	<u>763,856</u>
	<b><u>136,683</u></b>	<b><u>777,704</u></b>

# **KABIRDAS INVESTMENTS LIMITED**

**31 March, 2021    31 March, 2020**

## **9 Equity Share Capital**

### **a) Capital Structure**

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

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

	<b>As at</b>		<b>As at</b>	
	<b>31st March, 2021</b>		<b>31st March, 2020</b>	
	<b>Nos.</b>	<b>Amount</b>	<b>Nos.</b>	<b>Amount</b>
Opening balance	3,957,170	3,957,170	3,957,170	3,957,170
Issued during the period	-	-	-	-
<b>Closing Balance</b>	<b>3,957,170</b>	<b>3,957,170</b>	<b>3,957,170</b>	<b>3,957,170</b>

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

<b>Equity Shareholder</b>	<b>As at</b>		<b>As at</b>	
	<b>31st March, 2021</b>		<b>31st March, 2020</b>	
	<b>Nos.</b>	<b>% holding</b>	<b>Nos.</b>	<b>% holding</b>
Avighna Traders Pvt. Ltd.	457,958	11.57	457,958	11.57
Faith Suppliers Pvt. Ltd.	639,413	16.16	639,413	16.16
Kinetic Vanijya Pvt. Ltd.	639,413	16.16	639,413	16.16
Varanasi Commercial Ltd.	590,265	14.92	590,265	14.92

The above shareholding represents both legal and beneficial ownership of shares.

### **d) Terms of issue of equity shares**

The company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

Every shareholder is entitled to the dividend distributed by the Company in proportion to the number of equity shares held by the shareholder. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

- e)** No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment as at Balance Sheet.
- f)** The Company has not allotted any shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of fully paid bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.
- g)** No convertible securities have been issued by the Company during the year.
- h)** No calls are unpaid by any Director or Officer of the Company during the year.
- i)** The Company has not forfeited any shares.

# **KABIRDAS INVESTMENTS LIMITED**

	<b>31 March, 2021</b>	<b>31 March, 2020</b>
<b>10 Other Equity</b>		
General Reserve	6,472,850	6,472,850
General Reserve on amalgamation	23,300,330	23,300,330
Capital Redemption Reserve	1,000	1,000
Reserve Fund (RBI)	10,251,500	9,587,500
Retained Earning	61,294,022	60,618,739
Other Comprehensive Income	9,696,305	(19,885,621)
<b>Total</b>	<b>111,016,007</b>	<b>80,094,798</b>
	<b>31 March, 2021</b>	<b>31 March, 2020</b>
<b>11 Interest Income</b>		
<b>Particulars</b>		
Interest on Loans		
- On Financial Assets designated at fair value through profit & loss	1,635,899	6,614,965
<b>Total</b>	<b>1,635,899</b>	<b>6,614,965</b>
<b>12 Net gain/loss on Fair Value Changes*</b>		
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On financial instruments designated at Fair Value through profit or loss	3,251,301	77,748
(B) Others (to be specified)	-	-
<b>Total Net gain/(loss) on fair value changes (C)</b>	<b>3,251,301</b>	<b>77,748</b>
Fair Value changes:		
-Realised	182,332	35,209
-Unrealised	3,068,969	42,539
<b>Total Net gain/(loss) on fair value changes(D) to tally with (C)</b>	<b>3,251,301</b>	<b>77,748</b>
*Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.		
<b>13 Other Income</b>		
Others- Interest on IT refund	-	62,265
	-	62,265
<b>14 Employee Benefits Expense</b>		
Salaries and wages	2,267,228	1,883,763
Staff welfare expenses	9,667	616
	<b>2,276,895</b>	<b>1,884,379</b>
<b>15 Other expenses</b>		
Rates & taxes	4,900	4,650
Communication Costs	7,529	209,009
Printing and stationery	9,440	93,312
Advertisement and publicity	28,224	24,513
Listing and registrar expenses	212,514	137,793
<u>Auditor's fees and expenses</u>		
Audit Fees	64,900	59,000
Certification Fees	109,150	44,250
Others	47,200	17,700
Legal and Professional charges	63,080	160,250
Other expenditure	92,431	87,877
	<b>639,368</b>	<b>838,354</b>

# **KABIRDAS INVESTMENTS LIMITED**

## **16 Earning Per Share (EPS)**

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

	<b>31 March, 2021</b>	<b>31 March, 2020</b>
Net Profit / (Loss) attributable to equity shareholders	3,319,712	3,052,796
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	0.84	0.77

## **17 Segment Reporting**

The Company is predominantly engaged in the business of non-banking financial activities and is a 'Single Segment' Company. Hence, no disclosure is required as per the Ind AS 108 "Operating Segments" specified under Section 133 of the Act.

## **18 Related Party Disclosures**

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on "Related Party Disclosures" notified under the Companies (Indian Accounting Standard) Rules, 2015

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

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

#### **1 Key Management Personnel (KMP) and their relatives:**

Mr. Dipak Mehta	-Managing Director
Mr. Jesal Mehta	-Director
Mr. Kunal Kampani	-Director
Mrs. Nupur Mehta	-Director
Mr Madhu Sudan Sharma	-CFO
Mrs. Nikita Somani	- Company Secretary

#### **2 Associates**

Faith Suppliers Pvt. Ltd.  
Kinetic Vanijya Pvt. Ltd.  
N Marshall Hitech Engineers Pvt. Ltd.

### **(ii) Transactions with related parties during the period and year end balances (excluding reimbursements):**

Sl. No.	Name of the Related Party	31 March, 2021 (Rs)	31 March, 2020 (Rs)
1	<b>Faith Suppliers Pvt. Ltd.</b> <b><u>Closing Balance:</u></b> Year end Investments	5,000,000	5,000,000
2	<b>Kinetic Vanijya Pvt. Ltd.</b> <b><u>Closing Balance:</u></b> Year end Investments	5,000,000	5,000,000
3	<b>N Marshall Hitech Engineers Pvt. Ltd.</b> <b><u>Closing Balance:</u></b> Year end Investments	425,862	425,862
4	<b>Dipak Mehta</b> <b><u>Transactions:</u></b> Remuneration Paid	600,000	235,000
5	<b>Nikita Somani</b> <b><u>Transactions:</u></b> Remuneration Paid	540,000	495,000
6	<b>Madhu Sudan Sharma</b> <b><u>Transactions:</u></b> Remuneration Paid	263,220	263,220

## **KABIRDAS INVESTMENTS LIMITED**

- 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 The Company has maintained general provision towards outstanding Standard Assets @ 0.25% as per Notification issued by Reserve Bank of India.
- 21 The outbreak of Novel Corona Virus (COVID-19) pandemic globally is causing a slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. The Company has considered the possible effects on its business that may result from COVID-19 on the carrying amount of receivables, other investments and financing made by the Company as on the reporting date and income to be accrued thereupon in coming years. Based on assumptions and current estimates in view of the pandemic, the Company expects that the carrying amounts of receivables and other investments will be recovered in due course of time. Also, there is no material uncertainty on the ability of the Company to continue as a going concern and there is no material event due to COVID-19 as on the date of approval of the Financial Statement that requires separate adjustment or disclosure.
- 22 "The company is accounting for gratuity and leave encashment on payment basis, and as such has no provision of the accrued liability thereof is being made in the accounts as per the requirements of Indian Accounting Standard – 19 – 'Employee Benefits' notified by the Companies Act 2013 under The Companies (Indian Accounting Standards) Rules, 2015 as amended."

### **23 Details of Dues to Micro and Small Enterprises as per MSMED ACT 2006**

**(On the basis of the information and records available with the management)**

<b>PARTICULARS</b>	<b>As at 31<sup>st</sup> March,2021</b>	<b>As at 31<sup>st</sup> March, 2020</b>
1. The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
a) Principal Amount	Nil	Nil
b) Interest thereon	Nil	Nil
2. The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	Nil	Nil
3. The amount of interest due and payable for the period of delay in making payments which has been made beyond the appointed day (during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil
4. The amount of interest accrued and remaining un paid at the end of each accounting year.	Nil	Nil
5. The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the Small / Micro Enterprises.	Nil	Nil

The Company has circulated confirmation for the identification of suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. On the basis of information available with the Company under the aforesaid Act, there are no enterprises to whom the Company owes dues which are outstanding during the year end. This has been relied upon by the Auditors.



# **KABIRDAS INVESTMENTS LIMITED**

## **24 Financial Instrument and Related Disclosure**

### **A. Fair Value of Financial Assets and Financial Liabilities with Fair Value Hierarchy**

**As at 31st March, 2021**

<b>Financial assets and financial liabilities at fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Amortised Cost</b>	<b>Total</b>
<b>Financial assets</b>					
<b>Financial assets at FVTPL</b>					
- Investments	8,964,817	-	-	-	8,964,817
<b>Financial assets at OCI</b>					
- Investments	83,661,456	-	10,425,862	-	94,087,318
<b>Financial assets at Amortised cost</b>					
- Cash & Cash Equivalents	-	-	-	572,639	572,639
- Loans	-	-	-	11,200,708	11,200,708
- Other Financial Assets	-	-	-	-	-
<b>Total Financial assets</b>	<b>92,626,273</b>	<b>-</b>	<b>10,425,862</b>	<b>11,773,347</b>	<b>114,825,482</b>
<b>Financial Liabilities</b>					
<b>Financial Liabilities at Amortised Cost</b>					
- Other Financial Liabilities	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**As at 31st March, 2020**

<b>Financial assets and financial liabilities at fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Amortised Cost</b>	<b>Total</b>
<b>Financial assets</b>					
<b>Financial assets at FVTPL</b>					
- Investments	28,875,287	-	-	-	28,875,287
<b>Financial assets at OCI</b>					
- Investments	33,388,981	-	10,425,862	-	43,814,843
<b>Financial assets at Amortised cost</b>					
- Cash & Cash Equivalents	-	-	-	782,397	782,397
- Loans	-	-	-	11,239,727	11,239,727
- Other Financial Assets	-	-	-	-	-
<b>Total Financial assets</b>	<b>62,264,270</b>	<b>-</b>	<b>10,425,862</b>	<b>12,022,124</b>	<b>84,712,254</b>
<b>Financial Liabilities</b>					
<b>Financial Liabilities at Amortised Cost</b>					
- Other Financial Liabilities	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# **KABIRDAS INVESTMENTS LIMITED**

## **B. Financial Risk Management**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

### **(i) Market Risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

#### **Foreign currency risk**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. Currently the Company does not have any foreign currency exposure.

#### **Interest rate risk**

"The main business of the Company is providing inter corporate deposits and investment in equity shares and Mutual funds. These activities expose us to interest rate risk. Interest rate risk is measured through earnings at risk from an earning perspective. The Company monitors the change in economic value of equity arising out of change in the Interest rate. Further, an interest rate sensitivity gap report is prepared by classifying all rate sensitive assets into various time period categories according to earliest of contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets. Further there is no borrowing availed by the company during the year as well as previous year, hence no interest rate risk relating to financial liabilities."

#### **Equity Price Risk**

"Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, classified as fair value through other comprehensive income as at March 31, 2021 and March 31, 2020 was Rs. 9.41 crore and Rs. 4.38 crore, respectively. A 10% change in equity prices of such securities held as at March 31, 2021 and March 31, 2020, would result in an impact of Rs. 0.94 crore and Rs. 0.44 crore respectively on equity before considering tax impact."

### **(ii) Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligation associated with financial liabilities that are settled by delivering cash or other financial assets. The Company mitigates its liquidity risks by ensuring timely collections of its receivables and close monitoring of its credit cycle.

### **(iii) Credit Risk**

"Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Financial instruments that are subject

## **KABIRDAS INVESTMENTS LIMITED**

to credit risk and concentration thereof principally consist of loans receivables and mutual funds and other financial assets. None of the financial instruments of the Company result in material concentration of credit risk except some loans made by the company and against which sufficient provision for expected credit loss has been provided. The carrying value of financial assets represents the credit risk. The exposure to credit risk was Rs. 2.02 crore and Rs. 4.01 crore, as at March 31, 2021 and March 31, 2020 respectively, being the total carrying value of loan receivables and mutual funds."

### **(iv) Capital Management Risk**

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time. The Company's policy is to maintain a strong capital base for future development of the business. For the purpose of Company's capital management, capital includes issued capital and all other equity attributable to equity shareholders of the Company. As at 31st March, 2021, the Company has only one class of equity shares and has no debt.

### **(v) Expected Credit Loss**

Ind AS 109 outlines a 'three stages' model for impairment based on changes in credit quality since initial recognition as summarized below. The objective of the impairment requirements is to recognize life time expected credit loss (ECLs) on all financial instrument for which there have been significant increase in credit risk since initial recognition – whether assessed on an individual or collective basis.

At the reporting date, an allowance (or provision for loan and advances) is required on stage 1 assets at 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

The measurement of ECL is calculated using three main components:

- (i) Probability of Default (PD)
- (ii) Loss Given Default (LGD) and
- (iii) the Exposure At Default (EAD).

The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD.

The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively.

The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities.

The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money.

**Probability of default** represents the likelihood of a borrower defaulting on its financial obligation either over the next 12 months (12M PD) or over the remaining lifetime (Lifetime PD) of the obligation.

**Exposure at Default (EAD)** is the total amount of an asset the entity is exposed to at the time of default. EAD is define based on the characteristics of the assets. EAD is dependent on the outstanding exposure of an assets sanctioned amount of loan and credit conversion factor for non-funded exposure.

**Loan Given Default (LGD)** it is part of an assets which is lost provided the assets default. The recovery rate is derive as a ratio of discounted value of recovery cash flow (incorporating the recovery time) to total exposure of amount at the time of default.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and

## **KABIRDAS INVESTMENTS LIMITED**

qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

- i. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.
- ii. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.
- iii. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the RBI definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The Company continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

25 Previous year figures have been reclassified/regrouped wherever necessary.

As per our report of even date

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

**For and on behalf of the Board**

**Kshitiz Chhawchharia**  
Partner  
M. No. 061087

**Dipak Mehta**  
Managing Director  
(DIN: 01274012)

**Jesal Mehta**  
Director  
(DIN: 05247092)

Place : Kolkata  
Date : 30th June, 2021

**Madhusudan Sharma**  
Chief Financial Officer

**Nikita Somani**  
Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

## **Independent Auditor's Report**

### **To the Members of KABIRDAS INVESTMENTS LIMITED**

#### **Report on the Audit of the Consolidated Financial Statements**

##### **Opinion**

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'), as listed in Paragraph 15, which comprise the Consolidated Balance Sheet as at 31 March 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.
2. 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 management on separate financial statements and on the other financial information of the associates, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the consolidated state of affairs of the Group, as at 31 March 2021, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

##### **Basis for Opinion**

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the management in terms of their reports referred to in paragraph 15 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

##### **Emphasis of Matter**

4. We draw attention to note no 20 of the Consolidated Financial Statements as regards to the management evaluation of COVID-19 impact on the present and future performance of the company.  
Further, due to the prevailing COVID-19 pandemic, the Government has ordered lock down whereby the physical movement has been restricted and as a law abiding professional, our firm is in complete compliance of the same. Thus, we could not visit the Company's office and as a result the whole audit has been conducted from a remote location through electronic media. In view thereof, no physical verification or inspection of the relevant documents and records could be possible and as such we have relied upon the soft and scanned copies of documents and the information made available to us electronically.

Our opinion is not modified in respect of this matter.

##### **Key Audit Matter**

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the management on separate financial statements and on the other financial information

## **KABIRDAS INVESTMENTS LIMITED**

of the associates, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined that there are no other key audit matters to communicate in our report.

### **Information other than the Consolidated Financial Statements and Auditor's Report thereon**

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated 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.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. Those Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an

## **KABIRDAS INVESTMENTS LIMITED**

audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group, to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the financial statements, of which we are the independent auditors. For the other entities included in the financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

## **KABIRDAS INVESTMENTS LIMITED**

### **Other Matter**

15. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ 16,745 for the year ended 31 March 2021, as considered in the consolidated financial statements, in respect of three associates, viz. M/s Kinetic Vanijya Pvt Ltd; M/s Faith Suppliers Pvt Ltd & M/s N Marshall Hitech Engineers Pvt Ltd whose financial statements have not been audited by us. These unaudited financial statements have 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, are based solely on the reports of the management.

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 the reports of the management.

### **Report on Other Legal and Regulatory Requirements**

17. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the management 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;
- 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 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 Ind AS specified under section 133 of the Act;
- 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 management 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 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) As required by section 197(16) of the Act, based on our audit and on the consideration of the reports of the management, referred to in paragraph 15, on separate financial statements of the associates, we report that the Holding Company paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that the provisions of section 197 read with Schedule V to the Act are not applicable to three associate companies covered under the Act, since none of such companies is a public company as defined under section 2(71) of the Act.
- g) with respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A'. We are unable to express opinion on the IFCoFR of the three associates since they remain unaudited; and
- h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11



## **KABIRDAS INVESTMENTS LIMITED**

of the Companies (Audit and Auditors) 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 management on separate financial statements as also the other financial information of the associates:

- i. there were no pending litigations as at 31 March 2021 which would impact the consolidated financial position of the Group;
- ii. the Holding Company and its associates did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;
- 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 2021.

**For B Chhawchharia & Co.**

Chartered Accountants  
Firm's Registration No.: 305123E

**Kshitiz Chhawchharia**

Partner

Membership No.: 061087

UDIN: 21061087AAAAAAQ6842

Place : Kolkata

Date : June 30, 2021

# **KABIRDAS INVESTMENTS LIMITED**

## **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 2021, 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

## **KABIRDAS INVESTMENTS LIMITED**

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 2021, 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 three associate companies remaining unaudited.

### **Other Matter**

9. In respect of the 3 associate companies as stated in paragraph (g) 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.

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

**Kshitiz Chhawchharia**  
Partner  
Membership No.: 061087  
UDIN: 21061087AAAAAQ6842

Place : Kolkata  
Date : June 30, 2021

# **KABIRDAS INVESTMENTS LIMITED**

## **Consolidated Balance Sheet as at 31st March, 2021**

(In Rs.)

Particulars	Note No.	As at Mar 31, 2021	As at Mar 31, 2020
<b>ASSETS</b>			
<b>(1) Financial Assets</b>			
(a) Cash and cash equivalents	3	572,639	782,397
(b) Loans	4	11,200,708	11,239,727
(c) Investments	5	102,594,203	72,248,943
(d) Other Financial Assets		-	-
<b>(2) Non-Financial Assets</b>			
(a) Current Tax Assets (net)	6	258,060	92,417
(b) Deferred Tax Assets (net)		-	-
(c) Other non-financial assets	7	26,318	25,000
<b>TOTAL ASSETS</b>		<b>114,651,928</b>	<b>84,388,485</b>
<b>LIABILITIES AND EQUITY</b>			
<b>LIABILITIES</b>			
<b>(1) Financial Liabilities</b>		-	-
<b>(2) Non-Financial Liabilities</b>			
(a) Current Tax Liabilities (net)		-	-
(b) Provisions		-	-
(c) Deferred Tax Liabilities (net)		-	-
(d) Other non-financial liabilities	8	136,683	777,704
<b>(3) Equity</b>			
(a) Equity Share Capital	9	3,957,170	3,957,170
(b) Other Equity	10	110,558,075	79,653,611
<b>TOTAL LIABILITIES &amp; EQUITY</b>		<b>114,651,928</b>	<b>84,388,485</b>

Significant accounting policies and notes to financial statements 2

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

As per our report of even date

**For B Chhawchharia & Co.**

Firm Registration No.: 305123E

Chartered Accountants

**Kshitiz Chhawchharia**

Partner

M. No. 061087

**For and on behalf of the Board**

**Dipak Mehta**

Managing Director

(DIN: 01274012)

**Jesal Mehta**

Director

(DIN: 05247092)

Place : Kolkata

Date : 30th June, 2021

**Madhusudan Sharma**

Chief Financial Officer

**Nikita Somani**

Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

## **Statement of Consolidated Profit and Loss for the period ended on March 31, 2021**

		(In Rs.)	
Particulars	Note No.	Period ended March 31, 2021	Period ended March 31, 2020
<b>Revenue from operations</b>			
(i) Interest Income	11	1,635,899	6,614,965
(ii) Dividend Income		1,348,775	35,600
(iii) Net gain on fair value changes	12	3,251,301	77,748
<b>I. Total Revenue from operations</b>		<b>6,235,975</b>	<b>6,728,313</b>
<b>II. Other income</b>	13	-	62,265
<b>III. Total Income (I+II)</b>		<b>6,235,975</b>	<b>6,790,578</b>
<b>Expenses</b>			
(i) Employee benefits expenses	14	2,276,895	1,884,379
(ii) Other expenses	15	639,368	838,354
<b>IV. Total Expenses (IV)</b>		<b>2,916,263</b>	<b>2,722,733</b>
<b>V. Profit/(loss) before exceptional items and tax (III-IV)</b>		<b>3,319,712</b>	<b>4,067,846</b>
<b>VI. Exceptional Items</b>			-
<b>VII. Profit/ (loss) before tax (V-VI)</b>		<b>3,319,712</b>	<b>4,067,846</b>
<b>VIII. Tax expense:</b>			
(1) Current tax		-	1,015,050
(2) Deferred tax		-	-
<b>IX. Profit/ (loss) for the period from continuing operations (VII-VIII)</b>		<b>3,319,712</b>	<b>3,052,796</b>
<b>X. Profit/ (loss) from discontinued operations</b>		-	-
<b>XI. Tax expense of discontinued operations</b>		-	-
<b>XII. Profit/ (loss) from discontinued operations (after tax) (X-XI)</b>		-	-
<b>XIII. Profit/ (loss) for the period (IX+XII)</b>		<b>3,319,712</b>	<b>3,052,796</b>
Share of Profit/(Loss) of Associates		(16,745)	(19,149)
<b>XIV. Profit/(Loss) for the Period (after adjustment of share of profit of associate)</b>		<b>3,302,966</b>	<b>3,033,647</b>
<b>XV. Other Comprehensive Income:</b>			
A (i) Items that will not be reclassified to profit or loss (specify items and amounts)			
Equity Instruments		27,599,997	(16,473,187)
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>Subtotal (A)</b>		<b>27,599,997</b>	<b>(16,473,187)</b>
B (i) Items that will be reclassified to profit or loss (specify items and amounts)		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Subtotal (B)</b>		<b>-</b>	<b>-</b>
<b>XVI. "Total Comprehensive Income for the period(Comprising Profit (Loss) and Other Comprehensive Income for the period)"</b>		<b>30,902,963</b>	<b>(13,439,541)</b>
<b>XVII. Earning per equity share (for continuing operations):</b>			
(1) Basic	16	0.83	0.77
(2) Diluted		0.83	0.77
<b>XVIII. Earning per equity share (for discontinued operations):</b>			
(1) Basic		-	-
(2) Diluted		-	-
<b>XIX. Earning per equity share (for discontinued and continuing operation):</b>			
(1) Basic		0.83	0.77
(2) Diluted		0.83	0.77

Significant accounting policies and notes to financial statements

2

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

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

**For and on behalf of the Board**

**Kshitiz Chhawchharia**  
Partner  
M. No. 061087

**Dipak Mehta**  
Managing Director  
(DIN: 01274012)

**Jesal Mehta**  
Director  
(DIN: 05247092)

Place : Kolkata  
30th June, 2021

**Madhusudan Sharma**  
Chief Financial Officer

**Nikita Somani**  
Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

## **Consolidated Cash Flow Statement for the year ended 31st March 2021**

	31st March, 2021	31st March, 2020
<b>Cash flow from operating activities</b>		
Net Profit/(loss) before tax	3,319,712	4,067,846
Provision on Standard Asset	-	-
Interest on IT refund	-	(62,265)
Dividend	(1,348,775)	(35,600)
Fair Value Changes	(3,251,301)	(77,748)
Operating profit before working capital changes	<b>(1,280,364)</b>	<b>3,892,232</b>
Movements in working capital :		
Increase/(decrease) in other non financial liabilities	(641,021)	711,828
Decrease/(increase) in loans and advances	37,701	59,082,667
<b>Cash generated from / (used in) operations</b>	<b>(1,883,684)</b>	<b>63,686,727</b>
Direct taxes paid/Adjusted (net of refunds)	(164,143)	(312,498)
<b>Net Cash flow from / (used in) operating activities (A)</b>	<b>(2,047,827)</b>	<b>63,374,229</b>
Cash flow from investing activities		
Proceeds from sale/ (purchase) of investments (Net)	(2,762,007)	(63,954,528)
Dividend	1,348,775	5,600
Fair Value Changes	3,251,301	77,748
<b>Net Cash flow from / (used in) investing activities (B)</b>	<b>1,838,069</b>	<b>(63,841,179)</b>
Cash flow from financing activities	-	-
<b>Net Cash flow from / (used in) financing activities (C)</b>	<b>-</b>	<b>-</b>
Net increase/(decrease) in cash and cash equivalents (A+B+C)	(209,758)	(466,951)
Cash and cash equivalents at the beginning of the year	782,397	1,249,348
<b>Cash and cash equivalents at the end of the year</b>	<b>572,639</b>	<b>782,397</b>
Components of cash and cash equivalents		
Cash on hand	48,993	63,953
Balances with Banks in Current Account	523,646	718,444
<b>Total cash and cash equivalents</b>	<b>572,639</b>	<b>782,397</b>

As per our report of even date

**For B Chhawchharia & Co.**

Firm Registration No.: 305123E

Chartered Accountants

**Kshitiz Chhawchharia**

Partner

M. No. 061087

**For and on behalf of the Board**

**Dipak Mehta**

Managing Director

(DIN: 01274012)

**Jesal Mehta**

Director

(DIN: 05247092)

Place : Kolkata

Date : 30th June, 2021

**Madhusudan Sharma**

Chief Financial Officer

**Nikita Somani**

Company Secretary

# KABIRDAS INVESTMENTS LIMITED

Consolidated Statement of Changes in Equity for the period ended March, 31, 2021

## A. Equity Share Capital

(in Rs.)

Balance as at April 1, 2020	3,957,170
Changes in equity share capital during the year	-
Balance as at March 31, 2021	3,957,170

## B. Other Equity

Particulars	Reserve Fund	Reserves and Surplus				Equity instruments through Other Comprehensive Income	Total
		Capital Redemption Reserve	General Reserve On Amalgamation	General Reserve	Retained earnings		
<b>As at March 31, 2021</b>							
Balance as at April 01, 2020	9,587,500	1,000	23,300,330	6,472,850	60,177,553	(19,885,621)	79,653,612
Profit for the year	-	-	-	-	3,302,966	27,599,997	30,902,963
Transfer from/to Retained Earnings	664,000	-	-	-	(2,645,929)	1,981,929	-
Total comprehensive income for the year					60,834,590	9,696,305	
Any other change	-	-	-	-	1,500	-	1,500
<b>Balance at March 31, 2021</b>	<b>10,251,500</b>	<b>1,000</b>	<b>23,300,330</b>	<b>6,472,850</b>	<b>60,836,090</b>	<b>9,696,305</b>	<b>110,558,075</b>
<b>As at March 31, 2020</b>							
Balance as at April 01, 2019	8,976,500	1,000	23,300,330	6,472,850	58,512,977	(4,158,157)	93,105,500
Profit for the year	-	-	-	-	3,033,647	(16,473,187)	(13,439,541)
Transfer from/to Retained Earnings	611,000	-	-	-	(1,356,724)	745,724	-
Total comprehensive income for the year					60,189,900	(19,885,621)	
Any other change- IT adj	-	-	-	-	(12,347)	-	(12,347)
<b>Balance at March 31, 2020</b>	<b>9,587,500</b>	<b>1,000</b>	<b>23,300,330</b>	<b>6,472,850</b>	<b>60,177,553</b>	<b>(19,885,621)</b>	<b>79,653,612</b>

As per our report of even date

For B Chhawchharia & Co.

For and on behalf of the Board

Firm Registration No.: 305123E  
Chartered Accountants

Kshitiz Chhawchharia  
Partner  
M. No. 061087  
Place : Kolkata  
Date : 31st July, 2020

Dipak Mehta  
Managing Director  
(DIN: 01274012)

Madhusudan Sharma  
Chief Financial Officer

Jesal Mehta  
Director  
(DIN: 05247092)

Nikita Somani  
Company Secretary

# **KABIRDAS INVESTMENTS LIMITED**

## **Notes to the Consolidated Financial Statements for the year ended 31st March, 2020**

### **1. GROUP INFORMATION**

Kabirdas Investments Limited ('the Company') is a public limited company incorporated and domiciled in India and has its registered office at Azimganj House, 7 Camac Street, Unit No 3B, 5th Floor, Kolkata 700017. The company is engaged in the business of investments and financing. The company has its primary listings on Metropolitan Stock Exchange of India Limited and Calcutta Stock Exchange Limited.

The Company is registered as Non-Systematically Important, Non-Deposit taking Non-Banking Financial Company ('NBFC') as defined under Section 45-IA of the Reserve Bank of India Act, 1934.

In accordance with the notification dated 16th February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from April 1, 2018.

### **2. SIGNIFICANT ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these Consolidated Ind AS Financial Statements are set out as below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **a. Basis of Preparation and Presentation of Consolidated Ind AS Financial Statements**

##### **(a) Principles of Consolidation**

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

<b>SL No</b>	<b>Name of Companies</b>	<b>Company of Incorporation/ Formation</b>	<b>% of Voting Power/Profit sharing as on 31.03.21</b>	<b>% of Voting Power/Profit sharing as on 31.03.2020</b>
<b><u>Associates</u></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 Pvt Ltd	India	33.96%	33.96%

(i) Investments in Associates are accounted in accordance with IND AS-28 on "Investments in Associates and Joint Ventures", under "equity method". Unrealised profit/loss are eliminated other than in respect of transactions pertaining to non depreciable assets.

(ii) For the purpose of this consolidation, the unaudited financial statements for the financial year 2020-21 of three of the associates viz. Faith Suppliers Pvt Limited, Kinetic Vanijya Pvt Limited & N Marshall Hitech Engineers Pvt. Ltd. as certified by the management has been considered.

(iii) 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.

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

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

(vi) Investments other than in associates have been



## **KABIRDAS INVESTMENTS LIMITED**

accounted as per IND AS 32 & IND AS 109- Financial Instruments.

- (vii) 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 unaudited Standalone Financial Statements of those Associates.

### **(iii) Use of Estimates and Judgements**

The preparation of the financial statements in conformity with IND AS requires management to make estimates, judgments and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### **(iv) Fair value measurements**

#### **Fair value hierarchy**

"Fair value is the price that would be received on sale of an asset or paid on derecognition of a liability in an orderly transaction between market participants at the measurement date under current market conditions. The Company categorises assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurements."

**Level 1:** Quoted prices (unadjusted) in active market for identical assets or liabilities.

**Level 2:** Inputs other than quoted price including within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity specific estimates. If significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant input being the discount rate that reflects the credit risk of counterparty. This is the case with listed instruments where market is not liquid and for unlisted instruments.

The management consider that the carrying amounts of financial assets (other than those measured at fair values) and liabilities recognized in the financial statements approximate their fair value as on March 31, 2020, March 31, 2019 and April 1, 2018.

There has been no change in the valuation methodology for Level 3 inputs during the year. The Company has not classified any material financial instruments under Level 3 of the fair value hierarchy. There were no transfers between Level 1 and Level 2 during the year.

### **(b) Cash and Cash Equivalents**

Cash and cash equivalents comprise cash at banks and on hand, which are subject to an insignificant risk of change in value.

### **(c) Accounting for Taxes on Income**

Income Tax expenses comprise current tax and deferred tax charge or credit.

## **KABIRDAS INVESTMENTS LIMITED**

### **(i) Current Tax**

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

### **(ii) Deferred Tax**

Deferred Tax assets and liabilities is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.

Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

## **(d) PROPERTY, PLANT AND EQUIPMENT**

### **(i) Tangible Assets**

#### **Transition to Ind AS**

The Company has elected to continue with the carrying value of all of its property, plant and equipment and investment property recognised as of 1 April, 2018 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

#### **Recognition and Measurement**

Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the balance sheet at historical cost less any accumulated depreciation and accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

#### **Subsequent Measurement**

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

## **KABIRDAS INVESTMENTS LIMITED**

### **Depreciation and Amortization**

Depreciation on Property, Plant & Equipment is provided under Written Down Method at rates determined based on the useful life of the respective assets and the residual values in accordance with Schedule II of the Companies Act, 2013 or as reassessed by the Company based on the technical evaluation.

Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e., from (up to) the date on which asset is ready for use (disposed of).

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

### **Disposal of Assets**

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the statement of profit and loss.

### **(e) Revenue Recognition**

Revenue is measured at fair value of the consideration received or receivable. Revenue is recognised when (or as) the Companies satisfy a performance obligation by transferring a promised goods or service to a customer.

#### **(i) Interest Income**

Interest income is recognised using the effective interest rate, 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) Dividend Income**

Dividend income is recognised when the right to receive payment is established.

#### **(iii) Income from investment**

Profit / (loss) earned from sale of securities is recognised on trade date basis. The cost of securities is computed based on FIFO basis.

**(iv)** All other income are accounted for on accrual basis unless otherwise specified

### **(f) Employee Benefits**

- (i) Short term Employee benefits are accrued in the year services are rendered by the employees.
- (ii) Contribution to defined contribution plans such as Provident Fund etc. is being made in accordance with the statute and are recognized as and when incurred. Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income. Other costs recognised in the Statement of Profit or Loss.
- (iii) Other long term employee benefits consisting of Leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain or loss are recognised in the Statement of Profit or Loss.

### **(g) Financial Instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## **KABIRDAS INVESTMENTS LIMITED**

### **(i) Financial assets**

#### **Recognition and Initial Measurement:**

All financial assets are initially recognized when the company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

#### **Classification and Subsequent Measurement:**

For purposes of subsequent measurement, financial assets are classified in four categories:

Measured at Amortized Cost;

- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL);
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI). Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.
- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting contractual cash flows; and
  - The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the statement of profit and loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.
- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable. In case the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment.

## **KABIRDAS INVESTMENTS LIMITED**

### **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

### **Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses (ECL) in associates with its debt instruments carried at amortised cost and with the exposure arising from loan commitments and other financial assets. The company recognises a loss allowance for such losses at each reporting date.

#### **The measurement of ECL reflects:**

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of money; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecast of future economic conditions.

The measurement of the ECL allowance is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customer defaulting and the resulting losses).

### **Write-off policy**

The Company writes off financial assets, in whole or part, when it has exhausted all practical recovery efforts and has conducted there is no reasonable expectation of recovery.

### **(ii) Financial Liabilities**

#### **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

#### **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on derecognition is also recognized in statement of profit or loss.

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires.

### **Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the counterparty.

### **(h) Investment in associates**

The Company accounts for its investments in associates at cost less accumulated impairment, if any.

## **KABIRDAS INVESTMENTS LIMITED**

### **(i) Earnings per Share**

Basic Earnings per share (EPS) amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders adjusted for the effects of potential equity shares by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

### **(j) Impairment of non-financial assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher on an asset's fair value less costs of disposal and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows which are largely independent of the cash flows from other assets or group of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### **(k) Provision, Contingent Liabilities and Contingent Assets, legal or constructive**

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risk specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

The company makes provision for Standard, Restructured and Non-performing Assets as per the Master Direction - Non-Banking Financial Company –Non-Systemically 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.

A disclosure for contingent liabilities is made when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

Contingent Assets are not recognised but are disclosed when an inflow of economic benefits is probable

### **(l) Critical estimates and judgements**

The Company makes estimates and assumptions that affect the amounts recognised in the Consolidated Ind AS financial statements, and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from

## **KABIRDAS INVESTMENTS LIMITED**

those involving estimations, in the process of applying the accounting policies. Judgements that have most significant effect on the amount recognised in the Standalone Ind AS financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include the following;

### **Estimation of fair value of unlisted investment**

The fair value of financial instrument that are not traded in an active market is determined using valuation techniques. The Company use its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. For details of key assumptions used and the impact of changes to these assumptions.

### **Impairment of financial assets using the expected credit loss method**

The impairment provisions for financial assets are based on assumptions about risk of default and expected credit loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's history, existing market condition as well as forward looking estimates at the end of each reporting period.

### **Current Tax**

Current tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961

### **Deferred Tax**

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits. Recognition therefore involves judgement regarding the future financial performance of the Company.

### **Provisions and Contingencies**

Provisions and contingencies are based on Management's best estimate of the liabilities based on the facts known at the balance sheet date.

### **(m) Statement of Cash Flows**

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated. The Company considers all highly liquid investments that are readily convertible to known amounts of cash to be cash equivalents.

# KABIRDAS INVESTMENTS LIMITED

## Notes to the Consolidated Financial Statements for the year ended 31st March, 2021

	31 March, 2021	31 March, 2020		
<b>3 Cash and cash equivalents</b>				
(a) Cash on hand	48,993	63,953		
(b) Balances with Banks in Current Accounts	523,646	718,444		
	<b>572,639</b>	<b>782,397</b>		
<b>4 Loans</b>				
<b>At fair value designated through profit &amp; loss</b>				
(A) (i) Others- Inter-Corporate Deposits	11,375,708	11,414,727		
Total (A) – Gross	11,375,708	11,414,727		
Less: Impairment loss allowance	(175,000)	(175,000)		
Total (A) Net	<b>11,200,708</b>	<b>11,239,727</b>		
(B) (i) Unsecured	11,375,708	11,414,727		
Total (B)-Gross	11,375,708	11,414,727		
Less: Impairment loss Allowance	(175,000)	(175,000)		
Total (B)-Net	<b>11,200,708</b>	<b>11,239,727</b>		
(C) (I) Loans in India				
(i) Public Sector	-	-		
(ii) Others - Inter Corporate	11,200,708	11,239,727		
Total (C)-Gross	11,200,708	11,239,727		
Less: Impairment loss Allowance	-	-		
Total (C) (I)-Net	<b>11,200,708</b>	<b>11,239,727</b>		
<b>5 Investments</b>				
<b>(a) Investments in Equity Instruments (Quoted)</b>				
	<b>31 March, 2021</b>	<b>31 March, 2020</b>		
	Qty	Amount		
		(in Rs)		
<b>Others (at Fair Value Through Other Comprehensive Income)</b>				
Ashiana Housing Limited	48,690	6,407,604	21,600	1,075,680
Axis Bank Limited	-	-	1,600	606,400
Bajaj Consumer Care Ltd.	3,600	935,640	3,600	476,820
Bank of Baroda Ltd.	34,000	2,519,400	71,500	3,828,825
Ceeta Industries Ltd	100	969	100	395
Central Depository Services Ltd.	2,800	1,836,940	-	-
Century Plyboards India Ltd.	17,000	5,410,250	-	-
Electrosteel Castings Ltd	305,000	7,625,000	305,000	2,836,500
Emami Ltd.	5,000	2,430,000	5,000	849,750
Ester Industries Ltd.	71,500	8,347,625	-	-
Firstsource Solutions	111,500	12,699,850	-	-
Godrej Consumer Products Ltd.	-	-	1,000	520,850
Gail (India) Ltd.	16,600	2,249,300	-	-
Greenply Industries Ltd.	6,000	1,023,300	-	-
Hawkins Cooker Ltd	-	-	689	2,675,835
Housing Development Finance Corporation Ltd.	-	-	660	1,077,846
HDFC Asset Management Company Ltd.	-	-	620	1,309,936
HDFC Bank Ltd.	-	-	4,245	3,658,766
HDFC Life Insurance Company Ltd.	1,100	765,820	1,100	485,485
Hindustan Unilever Ltd.	-	-	500	1,149,250
IDBI Bank Ltd.	13,800	531,990	-	-
ICICI Bank Ltd.	-	-	2,700	874,125



## **KABIRDAS INVESTMENTS LIMITED**

ITC Ltd.	24,400	5,331,400	24,400	4,189,480
Kolte Patil Developers Ltd.	17,135	3,875,080	-	-
La Opala RG Ltd.	11,000	2,439,800	11,000	1,623,050
Marico Ltd.	-	-	3,900	1,071,915
NTPC Ltd.	10,500	1,118,775	-	-
Radico Khaitan Ltd.	4,000	2,240,200	-	-
State Bank of India Ltd.	-	-	12,500	2,460,625
SBI Cards and Payment Services Ltd.	46	42,700	46	28,458
SBI Life Insurance Company Ltd.	1,620	1,426,977	1,620	1,038,420
Sharda Motor Industries Ltd.	3,997	7,850,308	-	-
Sunteck Realty Ltd.	17,850	5,005,140	-	-
		<b>82,114,068</b>		<b>31,838,410</b>

### **(b) Investments in Equity Instruments (Unquoted)**

	<b>31 March, 2021</b>		<b>31 March, 2020</b>		
	<b>Qty</b>	<b>Amount</b>	<b>Qty</b>	<b>Amount</b>	
		<b>(in Rs)</b>		<b>(in Rs)</b>	
<b><u>Associates (at Deemed Cost)</u></b>					
Kinetic Vanijya Pvt. Ltd.					
(i) Cost of Investment (net off Goodwill Rs 1,41,749 (PY Goodwill Rs 1,41,749) on consolidation)	1	490,000	5,000,000	490,000	5,000,000
(ii) Share of Post Acquisition Profit (Net of Losses) upto 31.03.2021		(11,521)		(3,576)	
		4,988,479		4,996,424	
Faith Suppliers Pvt. Ltd.					
(i) Cost of Investment (net off Goodwill Rs 1,41,683 (PY Goodwill Rs 1,41,683) on consolidation)		490,000	5,000,000	490,000	5,000,000
(ii) Share of Post Acquisition Profit (Net of Losses) upto 31.03.2021		(20,550)		(11,749)	
		4,979,450		4,988,251	
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)"		106,200	425,862	106,200	425,862
(ii) Share of Post Acquisition Profit (Net of Losses) upto 31.03.2021		(425,862)		(425,862)	
<b><u>Others (at Fair Value Through Other Comprehensive Income)</u></b>					
Avighna Traders Pvt. Ltd.		153,600	1,509,888	153,600	1,513,071
Shaant Infosystems Pvt Ltd		3,750	37,500	3,750	37,500
		<b>11,515,317</b>		<b>11,535,246</b>	

### **(c) Investments in Mutual Funds (Unquoted)**

<b><u>Others (at Fair Value through Profit &amp; Loss)</u></b>				
HDFC Cash Management Fund - TAP- Retail- RP (Growth)	37,269.410	1,677,500	568,241.931	23,909,745
HDFC Index Fund- Nifty 50 Plan Direct	53,362.779	7,287,317	62,503.28	4,965,542
		<b>8,964,817</b>		<b>28,875,287</b>
<b><u>Aggregate Amount of</u></b>				
Investment at Deemed Cost		9,967,929		9,984,675
Investment at FVTPL		8,964,817		28,875,287
Investment at FVTOCI		83,661,456		33,388,981
		<b>102,594,201</b>		<b>72,248,943</b>

Note: No investment made outside India.

## **KABIRDAS INVESTMENTS LIMITED**

	31 March, 2021 (Rs.)	31 March, 2020 (Rs.)
<b>6 Current Tax Assets (net)</b>		
Opening Balance	92,418	745,052
Less: Provisions - for Income Tax	92,418	1,015,050
Add: Income Tax Advances & TDS	258,060	362,416
	<b>258,060</b>	<b>92,418</b>
<b>7 Other Non Financial Assets</b>		
Security Deposit	25,000	25,000
Other Receivables	1,318	-
	<b>26,318</b>	<b>25,000</b>
<b>8 Other Non Financial Liabilities</b>		
Statutory dues payable	13,040	13,848
Other payables (Year end liabilities)	123,643	763,856
	<b>136,683</b>	<b>777,704</b>
<b>31 March, 2021    31 March, 2020</b>		
<b>9 Equity Share Capital</b>		
<b>a) Capital Structure</b>		
Authorised		
1,10,00,000 Equity Shares of Re. 1/- each	11,000,000	11,000,000
(Previous year - 1,10,00,000 Equity Shares of Re. 1/- each)		
	<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	3,957,170	3,957,170
(Previous year - 39,57,170 Equity Shares of Re. 1/- each)		
	<b>3,957,170</b>	<b>3,957,170</b>
<b>b) Share Capital Reconciliation</b>		
<b>Equity Shares</b>		
	<b>As at</b>	<b>As at</b>
	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	<b>Nos.    Amount</b>	<b>Nos.    Amount</b>
Opening balance	3,957,170    3,957,170	3,957,170    3,957,170
Issued during the period	-                    -	-                    -
<b>Closing Balance</b>	<b>3,957,170    3,957,170</b>	<b>3,957,170    3,957,170</b>
<b>c) Particulars of Equity Shareholders holding more than 5% Shares at Balance Sheet date</b>		
<b>Equity Shareholder</b>		
	<b>As at</b>	<b>As at</b>
	<b>31st March, 2021</b>	<b>31st March, 2020</b>
	<b>Nos.    % holding</b>	<b>Nos.    % holding</b>
Avighna Traders Pvt. Ltd.	457,958    11.57	457,958    11.57
Faith Suppliers Pvt. Ltd.	639,413    16.16	639,413    16.16
Kinetic Vanijya Pvt. Ltd.	639,413    16.16	639,413    16.16
Varanasi Commercial Ltd.	590,265    14.92	590,265    14.92
The above shareholding represents both legal and beneficial ownership of shares.		

## **KABIRDAS INVESTMENTS LIMITED**

### **d) Terms of issue of equity shares**

The company has issued only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

Every shareholder is entitled to the dividend distributed by the Company in proportion to the number of equity shares held by the shareholder. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of Interim Dividend.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholder.

- e) No shares have been reserved for issue under options and contracts / commitments for the sale of shares / disinvestment as at Balance Sheet.
- f) The Company has not allotted any shares as fully paid up pursuant to contract(s) without payment being received in cash or by way of fully paid bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.
- g) No convertible securities have been issued by the Company during the year.
- h) No calls are unpaid by any Director or Officer of the Company during the year.
- i) The Company has not forfeited any shares.

### **10 Other Equity**

	<b>31 March, 2021</b>	<b>31 March, 2020</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
General Reserve	6,472,850	6,472,850
General Reserve on amalgamation	23,300,330	23,300,330
Capital Redemption Reserve	1,000	1,000
Reserve Fund (RBI)	10,251,500	9,583,500
Retained Earning	60,836,090	59,018,739
Other Comprehensive Income	9,696,305	(19,885,621)
<b>Total</b>	<b>110,558,075</b>	<b>78,490,799</b>

#### **Description of nature and purpose of each reserve**

##### **General Reserve**

General Reserve is created from time to time by way of transfer of profits from retained earnings for appropriation purposes.

##### **General Reserve on Amalgamation**

General Reserve on amalgamation represents the reserve created on amalgamation undergone by the company in the nature of merger.

##### **Capital Redemption Reserve**

The Capital Redemption Reserve is represents the reserve created on amalgamation undergone by the company in the nature of merger.

##### **Reserve Fund (RBI)**

Created pursuant to section 45-IC of the Reserve Bank of India Act, 1934

Retained Earning

Created out of accretion of profits.

Other Comprehensive Income

##### **Retained Earning**

Created out of accretion of profits.

##### **Other Comprehensive Income**

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

# **KABIRDAS INVESTMENTS LIMITED**

	<b>31 March, 2021</b>	<b>31 March, 2020</b>
	(Rs.)	(Rs.)
<b>11 Interest Income</b>		
<b>Particulars</b>		
Interest on Loans		
- On Financial Assets designated at fair value through profit & loss	1,635,899	6,614,965
<b>Total</b>	<b>1,635,899</b>	<b>6,614,965</b>
<b>12 Net gain/loss on Fair Value Changes*</b>		
(A) Net gain/ (loss) on financial instruments at fair value through profit or loss		
(i) On financial instruments designated at Fair Value through profit or loss	3,251,301	77,748
(B) Others (to be specified)	-	-
<b>Total Net gain/(loss) on fair value changes (C)</b>	<b>3,251,301</b>	<b>77,748</b>
Fair Value changes:		
-Realised	182,332	35,209
-Unrealised	3,068,969	42,539
<b>Total Net gain/(loss) on fair value changes(D) to tally with (C)</b>	<b>3,251,301</b>	<b>77,748</b>
*Fair value changes in this schedule are other than those arising on account of accrued interest income/expense.		
<b>13 Other Income</b>		
Others- Interest on IT refund	-	62,265
	-	<b>62,265</b>
<b>14 Employee Benefits Expense</b>		
Salaries and wages	2,267,228	1,883,763
Staff welfare expenses	9,667	616
	<b>2,276,895</b>	<b>1,884,379</b>
<b>15 Other expenses</b>		
Rates & taxes	4,900	4,650
Communication Costs	7,529	209,009
Printing and stationery	9,440	93,312
Advertisement and publicity	28,224	24,513
Listing and registrar expenses	212,514	137,793
Auditor's fees and expenses		
Audit Fees	64,900	59,000
Certification Fees	109,150	44,250
Others	47,200	17,700
Legal and Professional charges	63,080	160,250
Other expenditure	92,431	87,877
	<b>639,368</b>	<b>838,354</b>
<b>16 Earning Per Share (EPS)</b>		
The following reflects the profit and share data used in the basic and diluted EPS computations:		
	<b>31 March, 2021</b>	<b>31 March, 2020</b>
Net Profit / (Loss) attributable to equity shareholders	3,302,966	3,033,647
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	0.83	0.77

## **17 Segment Reporting**

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

# **KABIRDAS INVESTMENTS LIMITED**

## **18 Related Party Disclosures**

Disclosure as required by Indian Accounting Standard (Ind AS) – 24 on “Related Party Disclosures” notified under the Companies (Indian Accounting Standard) Rules, 2015

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

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

#### **1 Key Management Personnel (KMP) and their relatives:**

Mr. Dipak Mehta	- Managing Director
Mr. Jesal Mehta	- Director
Mr. Kunal Kampani	- Director
Mrs. Nupur Mehta	- Director
Mr. Madhu Sudan Sharma	- CFO
Mrs. Nikita Somani	- Company Secretary

#### **2 Associates**

Faith Suppliers Pvt. Ltd.  
Kinetic Vanijya Pvt. Ltd.  
N Marshall Hitech Engineers Pvt. Ltd.

### **(ii) Transactions with related parties during the period and year end balances (excluding reimbursements):**

<b>Sl. No.</b>	<b>Name of the Related Party</b>	<b>31 March, 2021 (Rs)</b>	<b>31 March, 2020 (Rs)</b>
<b>1</b>	<b>Faith Suppliers Pvt. Ltd.</b>		
	<b><u>Closing Balance:</u></b>		
	Year end Investments	4,979,450	5,000,000
<b>2</b>	<b>Kinetic Vanijya Pvt. Ltd.</b>		
	<b><u>Closing Balance:</u></b>		
	Year end Investments	4,988,479	5,000,000
<b>3</b>	<b>N Marshall Hitech Engineers Pvt. Ltd.</b>		
	<b><u>Closing Balance:</u></b>		
	Year end Investments	-	-
<b>4</b>	<b>Dipak Mehta</b>		
	<b><u>Transactions:</u></b>		
	Remuneration Paid	600,000	600,000
<b>5</b>	<b>Nikita Somani</b>		
	<b><u>Transactions:</u></b>		
	Remuneration Paid	540,000	495,000
<b>6</b>	<b>Madhu Sudan Sharma</b>		
	<b><u>Transactions:</u></b>		
	Remuneration Paid	263,220	263,220 5,000

## **KABIRDAS INVESTMENTS LIMITED**

- 19 The Company has maintained general provision towards outstanding Standard Assets @ 0.25% as per Notification issued by Reserve Bank of India.
- 20 The outbreak of Novel Corona Virus (COVID-19) pandemic globally is causing a slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing and closures of non-essential services have triggered disruptions to businesses worldwide, resulting in an economic slowdown and uncertainties pertaining to future operations. The Company has considered the possible effects on its business that may result from COVID-19 on the carrying amount of receivables, other investments and financing made by the Company as on the reporting date and income to be accrued thereupon in coming years. Based on assumptions and current estimates in view of the pandemic, the Company expects that the carrying amounts of receivables and other investments will be recovered in due course of time. Also, there is no material uncertainty on the ability of the Company to continue as a going concern and there is no material event due to COVID-19 as on the date of approval of the Financial Statement that requires separate adjustment or disclosure.
- 21 "The company is accounting for gratuity and leave encashment on payment basis, and as such has no provision of the accrued liability thereof is being made in the accounts as per the requirements of Indian Accounting Standard – 19 – 'Employee Benefits' notified by the Companies Act 2013 under The Companies (Indian Accounting Standards) Rules, 2015 as amended."

### **22 Details of Dues to Micro and Small Enterprises as per MSMED ACT 2006**

**(On the basis of the information and records available with the management)**

<b>PARTICULARS</b>	<b>As at 31st March, 2021</b>	<b>As at 1st March, 2020</b>
1. The principal amount and the interest due thereon remaining unpaid to any Micro/Small supplier		
a) Principal Amount	Nil	Nil
b) Interest thereon	Nil	Nil
2. The interest paid by the buyer as above, along with the amount of payments made beyond the appointed date during each accounting year.	Nil	Nil
3. The amount of interest due and payable for the period of delay in making payments which has been made beyond the appointed day (during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act 2006.	Nil	Nil
4. The amount of interest accrued and remaining un paid at the end of each accounting year.	Nil	Nil
5. The amount of further interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the Small / Micro Enterprises.	Nil	Nil

The Company has circulated confirmation for the identification of suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. On the basis of information available with the Company under the aforesaid Act, there are no enterprises to whom the Company owes dues which are outstanding during the year end. This has been relied upon by the Auditors.

# **KABIRDAS INVESTMENTS LIMITED**

## **23 Financial Instrument and Related Disclosure**

### **A. Fair Value of Financial Assets and Financial Liabilities with Fair Value Hierarchy**

**As at 31st March, 2021**

<b>Financial assets and financial liabilities at fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Amortised Cost</b>	<b>Total</b>
<b>Financial assets</b>					
<b>Financial assets at FVTPL</b>					
- Investments	8,964,817	-	-	-	8,964,817
<b>Financial assets at OCI</b>					
- Investments	83,661,456	-	9,967,929	-	93,629,385
<b>Financial assets at Amortised cost</b>					
- Cash & Cash Equivalents	-	-	-	572,639	572,639
- Loans	-	-	-	11,200,708	11,200,708
- Other Financial Assets	-	-	-	-	-
<b>Total Financial assets</b>	<b>92,626,273</b>	<b>-</b>	<b>9,967,929</b>	<b>11,773,347</b>	<b>114,367,549</b>
<b>Financial Liabilities</b>					
<b>Financial Liabilities at Amortised Cost</b>					
- Other Financial Liabilities	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>As at 31st March, 2020</b>					
<b>Financial assets and financial liabilities at fair value</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Amortised Cost</b>	<b>Total</b>
<b>Financial assets</b>					
<b>Financial assets at FVTPL</b>					
- Investments	28,875,287	-	-	-	28,875,287
<b>Financial assets at OCI</b>					
- Investments	33,388,981	-	9,984,675	-	43,373,656
<b>Financial assets at Amortised cost</b>					
- Cash & Cash Equivalents	-	-	-	782,397	782,397
- Loans	-	-	-	11,239,727	11,239,727
- Other Financial Assets	-	-	-	-	-
<b>Total Financial assets</b>	<b>62,264,270</b>	<b>-</b>	<b>9,984,675</b>	<b>12,022,124</b>	<b>84,271,067</b>
<b>Financial Liabilities</b>					
<b>Financial Liabilities at Amortised Cost</b>					
- Other Financial Liabilities	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## **KABIRDAS INVESTMENTS LIMITED**

### **B. Financial Risk Management**

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company continues to focus on a system-based approach to business risk management. The Company's financial risk management process seeks to enable the early identification, evaluation and effective management of key risks facing the business. Backed by strong internal control systems, the current Risk Management System rests on policies and procedures issued by appropriate authorities; process of regular reviews / audits to set appropriate risk limits and controls; monitoring of such risks and compliance confirmation for the same.

#### **(i) Market Risk**

Market risk is the risk of any loss in future earnings, in realisable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in interest rates, foreign currency exchange rates, equity price fluctuations, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

##### **Foreign currency risk**

Foreign currency risk is the risk that the fair value of future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. Currently the Company does not have any foreign currency exposure.

##### **Interest rate risk**

"The main business of the Company is providing inter corporate deposits and investment in equity shares and Mutual funds. These activities expose us to interest rate risk. Interest rate risk is measured through earnings at risk from an earning perspective. The Company monitors the change in economic value of equity arising out of change in the Interest rate. Further, an interest rate sensitivity gap report is prepared by classifying all rate sensitive assets into various time period categories according to earliest of contracted/behavioural maturities or anticipated re-pricing date. The difference in the amount of rate sensitive assets maturing or being re-priced in any time period category, gives an indication of the extent of exposure to the risk of potential changes in the margins on new or re-priced assets. Further there is no borrowing availed by the company during the year as well as previous year, hence no interest rate risk relating to financial liabilities."

##### **Equity Price Risk**

"Equity price risk is related to change in market reference price of investments in equity securities held by the Company. The fair value of quoted investments held by the Company exposes the Company to equity price risks. In general, these investments are not held for trading purposes. The fair value of quoted investments in equity, classified as fair value through other comprehensive income as at March 31, 2021 and March 31, 2020 was Rs. 9.36 crore and Rs. 4.34 crore, respectively. A 10% change in equity prices of such securities held as at March 31, 2021 and March 31, 2020, would result in an impact of Rs. 0.94 crore and Rs. 0.43 crore respectively on equity before considering tax impact."

#### **(ii) Liquidity Risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligation associated with financial liabilities that are settled by delivering cash or other financial assets. The Company mitigates its liquidity risks by ensuring timely collections of its receivables and close monitoring of its credit cycle.

#### **(iii) Credit Risk**

"Credit risk is the risk of financial loss arising from counter-party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of credit worthiness as well as concentration risks. Financial instruments that are subject to credit risk and concentration thereof principally consist of loans receivables and mutual funds and



## **KABIRDAS INVESTMENTS LIMITED**

other financial assets. None of the financial instruments of the Company result in material concentration of credit risk except some loans made by the company and against which sufficient provision for expected credit loss has been provided. The carrying value of financial assets represents the credit risk. The exposure to credit risk was Rs. 2.02 crore and Rs. 4.01 crore, as at March 31, 2021 and March 31, 2020 respectively, being the total carrying value of loan receivables and mutual funds."

### **(iv) Capital Management Risk**

The Reserve Bank of India (RBI) sets and monitors capital adequacy requirements for the Company from time to time. The Company's policy is to maintain a strong capital base for future development of the business. For the purpose of Company's capital management, capital includes issued capital and all other equity attributable to equity shareholders of the Company. As at 31st March, 2021, the Company has only one class of equity shares and has no debt.

### **(v) Expected Credit Loss**

Ind AS 109 outlines a 'three stages' model for impairment based on changes in credit quality since initial recognition as summarized below. The objective of the impairment requirements is to recognize life time expected credit loss (ECLs) on all financial instrument for which there have been significant increase in credit risk since initial recognition – whether assessed on an individual or collective basis.

At the reporting date, an allowance (or provision for loan and advances) is required on stage 1 assets at 12 month ECLs. If the credit risk has significantly increased since initial recognition (Stage 1), an allowance (or provision) should be recognised for the lifetime ECLs for financial instruments for which the credit risk has increased significantly since initial recognition (Stage 2) or which are credit impaired (Stage 3).

"The measurement of ECL is calculated using three main components:

- (i) Probability of Default (PD) (ii) Loss Given Default (LGD) and
- (iii) the Exposure At Default (EAD).

The 12 month ECL is calculated by multiplying the 12 month PD, LGD and the EAD.

The 12 month and lifetime PDs represent the PD occurring over the next 12 months and the remaining maturity of the instrument respectively.

The EAD represents the expected balance at default, taking into account the repayment of principal and interest from the balance sheet date to the default event together with any expected drawdowns of committed facilities.

The LGD represents expected losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral value at the time it is expected to be realised and the time value of money."

**Exposure at Default (EAD)** is the total amount of an asset the entity is exposed to at the time of default. EAD is define based on the characteristics of the assets. EAD is dependent on the outstanding exposure of an assets sanctioned amount of loan and credit conversion factor for non-funded exposure.

**Loan Given Default (LGD)** it is part of an assets which is lost provided the assets default. The recovery rate is derive as a ratio of discounted value of recovery cash flow (incorporating the recovery time) to total exposure of amount at the time of default.

**Loan Given Default (LGD)** it is part of an assets which is lost provided the assets default. The recovery rate is derive as a ratio of discounted value of recovery cash flow (incorporating the recovery time) to total exposure of amount at the time of default.

The Company assesses when a significant increase in credit risk has occurred based on quantitative and qualitative assessments. Exposures are considered to have resulted in a significant increase in credit risk and are moved to Stage 2 when:

## **KABIRDAS INVESTMENTS LIMITED**

- i. Quantitative test: Accounts that are 30 calendar days or more past due move to Stage 2 automatically. Accounts that are 90 calendar days or more past due move to Stage 3 automatically.
- ii. Qualitative test: Accounts that meet the portfolio's 'high risk' criteria and are subject to closer credit monitoring. High risk customers may not be in arrears but either through an event or an observed behaviour exhibit credit distress.
- iii. Reversal in Stages: Exposures will move back to Stage 2 or Stage 1 respectively, once they no longer meet the quantitative criteria set out above. For exposures classified using the qualitative test, when they no longer meet the criteria for a significant increase in credit risk and when any cure criteria used for credit risk management are met.

The definition of default for the purpose of determining ECLs has been aligned to the RBI definition of default, which considers indicators that the debtor is unlikely to pay and is no later than when the exposure is more than 90 days past due. The Company continues to incrementally provide for the asset post initial recognition in Stage 3, based on its estimate of the recovery.

**24 Previous year figures have been reclassified/regrouped wherever necessary.**