



35th annual report 2018-19

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Cautionary Statement

Statements in this annual report describing the company's objectives, projections, estimates and expectations may be forward looking statements with in the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the international trade, exchange rate fluctuations, significant changes in economic environment, slow down in infrastructure sector etc.

BOARD OF DIRECTORS

Chairman & Managing Director

DEEPAK KOTHARI

Executive Director

MITESH KOTHARI

Directors

DR. AVINASH GUPTA

PRAMOD KUMAR TANDON

VIKAS CHATURVEDI

POONAM ACHARYA

CS & Compliance Officer

RAJ KUMAR GUPTA

Chief Financial Officer

ANURAG TANDON

AUDITORS

RAJIV MEHROTRA & ASSOCIATES

Chartered Accountants

3/3-A, Vishnupuri,
Kanpur - 208 002.

REGISTERED OFFICE & SECRETARIAL DEPARTMENT

"Pan Parag House", 24/19, The Mall, Kanpur -208 001

Visit us on internet at : <http://www.kothariproducts.in>

E - mail : info@kothariproducts.in, kothari@kothariproducts.in

Ph. Nos. (0512) 2312171 - 74, Fax No. (0512) 2312058

INVESTORS' GRIEVANCE E-MAIL ID

rk Gupta@kothariproducts.in

AUDIT COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DEEPAK KOTHARI

DR. AVINASH GUPTA

VIKAS CHATURVEDI

STAKEHOLDERS RELATIONSHIP COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DEEPAK KOTHARI

MITESH KOTHARI

DR. AVINASH GUPTA

NOMINATION & REMUNERATION COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DR. AVINASH GUPTA

VIKAS CHATURVEDI

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

DEEPAK KOTHARI

DR. AVINASH GUPTA

RISK MANAGEMENT COMMITTEE

Chairman

PRAMOD KUMAR TANDON

Members

VIKAS CHATURVEDI

DR. AVINASH GUPTA

DEEPAK KOTHARI

II ALIVE IN OUR MEMORIES FOREVER II



KARMA YOGI M. M. KOTHARI
Our Founder Chairman
(25th July 1925 – 27th November 2015)

“The soul never takes birth and never dies at any time nor does it come into being again when the body is created. The soul is birth less, eternal, imperishable and timeless and is never destroyed when the body is destroyed.”



Chairman's Message

Dear Fellow Share Owners,

I always feel honoured to be amongst the annual stake holder's meeting of the Company and thank you all for being part of our journey for last more than three decades.

In this journey we have witnessed several ups & downs and remained patient and together, surely it will continue.

Remembering the passage of such a illustrious journey together, sometimes, I feel very nostalgic and emotional.

During the period under review, as anticipated the economic environment was quite eventful at the International and Domestic theatre.

Several developments in the global arena including US-China Trade relations, un-resolved issue of Brexit and other geo political uncertainties resulted in Global Economic slowdown particularly in the second half

of last year, reflecting a confluence of factors affecting major economies. This may continue for some more time and immediate future is relatively un-predictable.

The Economic Survey of India for 2018-19 has reaffirmed the slowdown in the domestic economy and has indicated a marginal and gradual revival. With the huge mandate the Govt. at the Centre is in the process of consolidating and stream lining the economic process of the Country with an objective of over-all growth in all the sectors. This pragmatic approach is starting to give the fruits to the Society.

In view of the above, the Domestic Industry is growing slowly at the moment and International Trade remained under pressure both in terms of value and margins which would also be a great challenge to your Company. Your Company is quite aware of the situation and exploring new Business Models and aligning in to this evolving economic scenario. The Management is optimistic to leverage itself to this new economic regime.

Over more than 3 decades, your Company has continued to grow and evolve, creating value for the share owner and we are sure that we will continue to strive ahead.

In the end, I would like to place on record my sincere thanks to all the stake holders and having deep satisfaction of what your Company is today. Way forward, ushering in to the new challenges, new business environment, it is time to look for the new ideas with fresh vigour and zeal. Therefore, it is imperative to give way to the Genext, which is quite mature and have talent in abundance. Wishing you all be always with the Company which is bound to grow in future.

With lots of Thanks,



Deepak Kothari

Place : Kanpur

Dated : 30th July, 2019

NOTICE:

Notice is hereby given that the Thirty Fifth Annual General Meeting of the Members of Kothari Products Limited will be held on Monday, the 23rd September, 2019 at Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave-3, Kanpur at 11:30 A.M., to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Reports of the Board of Directors and Auditors thereon.
2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Reports of the Auditors thereon.
3. To declare Dividend for the aforesaid financial year.
4. To appoint a Director in place of Sri Mitesh Kothari (DIN: 00089076), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. To re-appoint Dr. Avinash Gupta as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended till date and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, subject to the Company’s policy on Terms and Conditions for Appointment of Independent Directors, Dr. Avinash Gupta (DIN: 00089371), who was appointed as an Independent Director w.e.f. 19th September, 2014 for a period of 5 years and who held office of Independent Director up to 18th September, 2019 and who has been proposed to be re-appointed by the Board of Directors and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 19th September 2019.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things as may be necessary in the aforesaid appointment”.

6. To re-appoint Sri Vikas Chaturvedi as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended till date and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, subject to the Company’s policy on Terms and Conditions for Appointment of Independent Directors, Sri Vikas Chaturvedi (DIN: 00089394), who was appointed as an Independent Director w.e.f. 19th September, 2014 for a period of 5 years and who held office of Independent Director up to 18th September, 2019 and who has been proposed to be re-appointed by the Board of Directors and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 19th September, 2019.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things as may be necessary in the aforesaid appointment”.

7. To re-appoint Sri Pramod Kumar Tandon as an Independent Director and in this regard, pass the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and read with the Companies (Appointment and

Qualification of Directors) Rules, 2014, as amended till date and the provisions of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date, subject to the Company's policy on Terms and Conditions for Appointment of Independent Directors, Sri Pramod Kumar Tandon (DIN: 00089344), who was appointed as an Independent Director w.e.f. 19th September, 2014 for a period of 5 years and who held office of Independent Director up to 18th September, 2019 and who has been proposed to be reappointed by the Board of Directors and being eligible, and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. 19th September, 2019."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized on behalf of the Company to do all such acts, deeds and things as may be necessary in the aforesaid appointment".

Regd. Off :
'PAN PARAG HOUSE'
24/19, THE MALL
KANPUR – 208 001

By Order of the Board
for KOTHARI PRODUCTS LTD.

Sd/-
(RAJ KUMAR GUPTA)
CS & Compliance Officer

DATE : 29th May, 2019

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THAT THE PROXY NEED NOT BE A MEMBER OF THE COMPANY BUT ONE PERSON CAN REPRESENT AS PROXY FOR NOT MORE THAN 50 MEMBERS AND FOR MEMBERS HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Proxies, in order to be effective must be completed, stamped and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting. Proxy form and attendance slip are enclosed in the Annual Report.
3. The Register of Members of the Company shall remain closed from Monday, 16th September, 2019 to Monday, 23rd September, 2019 (both days inclusive) in connection with the Annual General Meeting and for the purpose of Payment of Dividend, if declared, at the aforesaid meeting.
4. The Dividend for the year ended 31st March, 2019 as recommended by the Board, if approved by the members, will be paid to the physical members whose names appear in the Company's Register of Members on Sunday, 15th September, 2019 after giving effect to all the valid transfers as received by the Company or its Registrar & Share Transfer Agent on or before 15th September, 2019. In respect of the Shares held in electronic form, the dividend will be payable on the basis of their beneficial ownership as at the end of aforesaid date as per details furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd. for this purpose.
5. THE MEMBERS HOLDING PHYSICAL SHARES ARE, IN THEIR OWN INTEREST, ADVISED TO SEND IMMEDIATELY REQUESTS FOR CHANGE OF ADDRESS AND BANK PARTICULARS, IF ANY, TO OUR REGISTRAR I.E. ALANKIT ASSIGNMENTS LTD., (UNIT: KOTHARI PRODUCTS LTD.) "ALANKIT HEIGHTS", 1E/13 JHANDEWALAN EXTENSION, NEW DELHI – 110 055, PHONE NOS. (011) 23541234 & 42541234 & FAX NO. (011) 41543474. HOWEVER, THE MEMBERS HOLDING DEMAT SHARES ARE ADVISED TO IMMEDIATELY INTIMATE THE CHANGE OF ADDRESS AND BANK DETAILS TO THEIR CONCERNED DEPOSITORY PARTICIPANTS.
6. Those Members who have not encashed/received their Dividend warrants for the financial years 2011-12 onwards may approach immediately to the Secretarial Department at the Registered Office of the Company for revalidation of Dividend Warrants or for obtaining duplicate Dividend Warrants in lieu of the lost warrants. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company (www.kothariproducts.in).

7. Transfer of Unclaimed/Unpaid amounts to the Investor Education and Protection Fund (IEPF):

Pursuant to Sections 124 and 125 of The Companies Act, 2013 and Rules made thereunder and erstwhile sections 205A and 205C of the Companies Act, 1956, all Unclaimed/Unpaid dividend for a period of seven years from the date they became due for payment, were required to be transferred to the IEPF. Accordingly, all unclaimed/unpaid dividend for the Financial Year 2011-12, have to be transferred to the Investors Education & Protection Fund (IEPF) established by the Central Government.

Further, as per Section 124(6) of the Act read with IEPF Rules as amended, all shares in respect of which dividend has remained unpaid/unclaimed for seven consecutive years or more are also required to be transferred to the Demat Account of the IEPF Authority.

The Company has sent notices to all the members whose Dividends are lying unpaid/unclaimed for seven consecutive years or more. Concerned Members are requested to claim the same immediately. In case the dividends are not claimed, necessary steps will be initiated by the Company to transfer shares held by the members to IEPF without further notice.

The unpaid Dividend amount relating to the Financial Years, 1997-98, 1998-2000 (Interim), 1998-2000 (Final), 2000-2001, 2001-2002, 2002-2003, 2003-2004, 2004-2005, 2005-2006, 2006-07, 2007-08, 2008-2009, 2009-10 & 2010-11 have been transferred to the aforesaid Investor Education & Protection Fund.

MEMBERS ARE AGAIN ADVISED TO NOTE THAT THE UNPAID DIVIDEND AMOUNT RELATING TO FINANCIAL YEAR 2011-12 WILL BE TRANSFERRED TO THE INVESTOR EDUCATION & PROTECTION FUND, AS PER THE PROVISIONS OF SEC.124(5) OF THE COMPANIES ACT, 2013 IN OCTOBER, 2019. THE DIVIDEND FOR THE AFORESAID YEAR SHALL BE PAID ONLY ON RECEIPT OF REQUEST AND SATISFACTORY COMPLIANCE OF THE REQUISITE PROCEDURE

8. Members desirous of getting any information at the meeting about the accounts and operations of the company are requested to send their query at the Registered office well in advance so that the same may reach the office at least seven days before the date of the meeting to enable the management to keep the information required readily available at the meeting.
9. Section 72 of the Companies Act, 2013 has extended nomination facility to individuals holding shares in Companies. Shareowners, in particular, those holding shares as sole holder are advised to avail of the above facility in their own interest, by furnishing to the Company the particulars of their nominations. The prescribed application form may be obtained by the shareowners from the Company's Secretarial Department at its Registered Office.
10. Members are requested to bring their copies of Annual Report at the meeting. Please note that no gifts will be distributed at the meeting.
11. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notices/documents including Annual Reports can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with our Registrar, Alankit Assignments Ltd., "Alankit Heights", 1E/13 Jhandewalan Extension, New Delhi – 110 055.
12. Even after registering for e-communication, the members are entitled to receive such communication/documents in physical form, upon making a request for the same, by post, free of cost.
13. In Compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014, as amended, alongwith Regulation 44 of the SEBI (LODR) Regulations, 2015, the members have been provided with the facility to cast their votes electronically through the "remote e-voting" services provided by NSDL, on all the resolutions set forth in this Notice. The "remote e-voting" period commences on Friday, 20th September, 2019 (9:00 A.M. IST) and ends on Sunday, 22nd September, 2019 (5:00 P.M. IST). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on Monday 16th September, 2019 (being the cut-off date fixed by the Company for "remote e-voting"), may cast their votes electronically. The "remote e-voting" module shall

be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently. A Physical Ballot form is also being sent to the member's alongwith the Annual Report. Members have option to vote either through "remote e-voting" or through the Physical Ballot form. If a member has opted for "remote e-voting" then he/she should not vote by Physical Ballot and also vice versa. However, in case members cast their votes both via Physical Ballot and "remote e-voting" then voting through "remote e-voting" shall prevail and voting done by physical ballot shall be treated as invalid. The instructions for "remote e-voting" and other details thereof are mentioned in the physical ballot form and "remote e-voting" form being sent to you alongwith the Annual Report and they form an integral part of this notice. The members who have cast their vote by "remote e-voting" prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

14. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only, shall be entitled to avail the facility of remote e-voting as well as voting in the Annual General Meeting through Ballot Paper.
15. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may obtain the user ID and Password by sending a request at **evoting@nsdl.co.in or rta@alankit.com** by mentioning their Folio No./DP ID and Client Id. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot User Details / Password" option available on **www.evoting.nsdl.com** or contact NSDL at the following toll free no. 1800-222-990.
16. The Company has appointed Sri Adesh Tandon, a Practising Company Secretary of Kanpur as Scrutinizer to receive and scrutinize the completed physical ballot forms and votes cast electronically by the members. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website **www.kothariproducs.in** and on the website of NSDL **www.evoting.nsdl.com** within 3 days of passing the resolutions at the Thirty Fifth Annual General Meeting of the Company on Monday, 23rd September, 2019 and communicated to the Bombay Stock Exchange Ltd. and National Stock Exchange of India Limited, where the shares of the Company are listed.
17. The Chairman shall, at the Annual General Meeting, at the end of discussions on the resolutions on which voting is to be held, allow voting, with the assistance of scrutinizer by use of Ballot Paper for all those members who are present at the Annual General Meeting but have not cast their votes by availing the remote e-voting facility.
18. Pursuant to SEBI (LODR) Regulations, 2015, particulars of Directors seeking re-appointments at this meeting are provided in the Corporate Governance Report forming part of the Annual Report.
19. The Securities & Exchange Board of India has notified that the shareholders/transferees of shares (including Joint holders) holding shares in physical form are required to furnish a certified copy of their PAN Card to the Company/RTA while transacting in the securities market including by transfer, transmission or any other Corporate Action. Accordingly, all the Physical shareholders/transferees of shares (including Joint holders) are requested to furnish a certified copy of their PAN Card to the Company/RTA while transacting in the securities market including by transfer, transmission or any other Corporate Action.
20. All documents referred to in the accompanying notice shall be open for inspection at the Registered Office of the Company during normal business hours (10:00 A.M. TO 6:00 P.M.) on all working days upto and including the date of the Annual General Meeting of the Company.
21. Annual Report and AGM Notice is available at the website of the Company at **www.kothariproducs.in** in the Investor's Section.
22. A corporate member intending to send its authorized representative to attend the Meeting in terms of section 113 of the Companies Act, 2013 is requested to send the company a certified copy of the Board Resolution authorizing such representative to attend and vote on its behalf in the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF THE SPECIAL BUSINESS

ITEM NO. 5 & 6

Dr. Avinash Gupta and Sri Vikas Chaturvedi were appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (LODR) Regulations, 2015 w.e.f. 19th September, 2014 for a period of 5 years. Accordingly they hold office as Independent Directors of the Company up to 18th September, 2019. The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of aforesaid Dr. Avinash Gupta and Sri Vikas Chaturvedi as Independent Directors for a second term of 5 (five) consecutive years on the Board of the Company. Based on the performance evaluation report of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, The Board considers that, their experience and contributions made by them during their tenure, would be beneficial to the Company and it is desirable to continue to avail their services as Independent Directors. Therefore for continued association of Dr. Avinash Gupta and Sri Vikas Chaturvedi, it is proposed to re-appoint them as Independent Directors of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company. Section 149 of the Companies Act, 2013 and provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Company's Policy on Terms and Conditions of Appointment of Independent Directors inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company and disclosure of such appointment in its Board's report. The second term of appointment is in line with Sections 149(10) and 149(11) of the Companies Act, 2013.

Dr. Avinash Gupta and Sri Vikas Chaturvedi are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors. The Company has received notices in writing from a member under Section 160 of the Act proposing the candidatures of Dr. Avinash Gupta and Sri Vikas Chaturvedi for the office of Independent Directors of the Company. The Company has also received declarations from Dr. Avinash Gupta and Sri Vikas Chaturvedi that they meet with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Dr. Avinash Gupta and Sri Vikas Chaturvedi fulfil the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations. Further, Dr. Avinash Gupta and Sri Vikas Chaturvedi are independent of the management.

Dr. Avinash Gupta and Sri Vikas Chaturvedi are interested in the resolutions set out respectively at Item No. 5 & 6 of the Notice with regard to their respective re-appointments. None of the other Directors are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolutions set out at Item No. 5 & 6 of the Notice for approval by the members as special Resolutions.

ITEM NO. 7.

Sri Pramod Kumar Tandon was appointed as Independent Directors on the Board of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 17 of the SEBI (LODR) Regulations, 2015 w.e.f. 19th September, 2014 for a period of 5 years. Accordingly they hold office as an Independent Director of the Company up to the 18th September, 2019.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation of Independent Directors, has recommended reappointment of Sri Pramod Kumar Tandon as an Independent Director for a second term of 5 (five) consecutive years on the Board of the Company although he attains the age of 75 years. Based on the performance evaluation report of Independent Directors and as per the recommendation of the Nomination and Remuneration Committee, The Board considers that, their experience and contribution made by him during his tenure, would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Therefore for continued association of Sri Pramod Kumar Tandon, it

is proposed to re-appoint him as Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company. Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Company's Policy on Terms and Conditions of Appointment of Independent Directors inter alia prescribe that an independent director of a company shall meet the criteria of independence as provided in Section 149(6) of the Act. Section 149(10) of the Act provides that an independent director shall hold office for a term of up to five consecutive years on the Board and shall be eligible for re-appointment on passing a special resolution by the company & disclosure of such appointment in its Board's Report and the Regulation 17 (1A) also requires special resolution for the appointment of a Director who has attained the age of seventy five years. The second term of appointment is in line with Sections 149(10) and 149(11) of the Companies Act, 2013.

Sri Pramod Kumar Tandon is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to act as Director. The Company has received notice in writing from a member under Section 160 of the Act proposing his candidature for the office of an Independent Director of the Company. The Company has also received declaration from Sri Pramod Kumar Tandon that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act. In the opinion of the Board, Sri Pramod Kumar Tandon fulfils the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Sri Pramod Kumar Tandon is independent of the management.

Sri Pramod Kumar Tandon is interested in the resolution set out respectively at Item No. 7 of the Notice with regard to his re-appointment.

None of the other Directors as in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the members as special Resolution.

Regd. Off :
'PAN PARAG HOUSE'
24/19, THE MALL
KANPUR – 208 001

DATE : 29th May, 2019

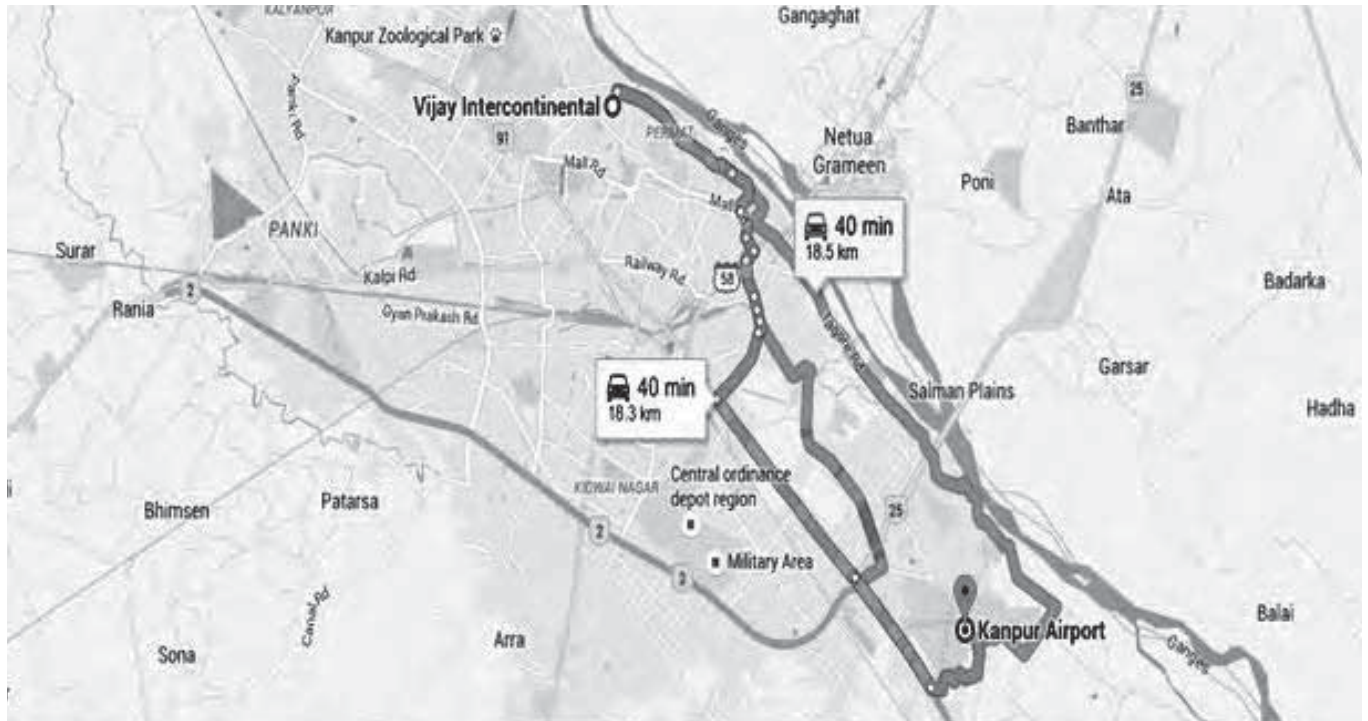
By Order of the Board
for KOTHARI PRODUCTS LTD.

Sd/-
(RAJ KUMAR GUPTA)
CS & Compliance Officer

Route Map No. 1 To the Venue of 35th Annual General Meeting



Route Map No. 2 to the Venue of 35th Annual General Meeting



DIRECTORS' REPORT

TO THE MEMBERS:

The Board of Directors of your Company presents herewith its 35th Annual Report and Audited Accounts for the financial year ended 31st March, 2019. The report also includes the Management discussion and Analysis Report in accordance with the guidelines of Corporate Governance.

FINANCIAL PERFORMANCE & STATE OF COMPANY'S AFFAIRS

	(Amount in ₹ Lacs)	
	FINANCIAL YEAR ENDED 31.03.2019	FINANCIAL YEAR ENDED 31.03.2018
Net Sales:	322987	416166
Other Income	6644	8071
Profit before Depreciation & Taxation	1900	5250
Less : Depreciation	223	200
Provision for Taxation:		
-Current Tax	0	1268
-Deferred Tax	-394	-621
-Tax Adjustments for earlier years	35	-11
Profit after Tax	2036	4414
Add : Balance of Profit brought forward from previous year	47483	44195
Profit available for appropriation	49519	48609
APPROPRIATIONS		
Transfer to General Reserve	203	441
Prior Period items	876	145
Proposed Dividend	298*	448
Additional Tax on Proposed Dividend	61*	92
Balance of Profit carried forward	48081	47483
	49519	48609

* These amounts have not been provided in the Balance Sheet as the proposed dividend is subject to the approval by the members in the ensuing Annual General Meeting.

2019 IN RETROSPECT

Your Directors are to report that the Company's sales turnover during the year under review has decreased to ₹ 322987 Lacs from ₹ 416166 Lacs during the previous financial year registering decrease of 22.39%. The Profit before depreciation & tax during the year has however substantially decreased to ₹ 1900 Lacs as against ₹ 5250 Lacs in the previous year resulting in a decrease of 63.81%. The same is primarily due to decrease in Net Sales and other income. The Profit after Tax has also decreased similarly to ₹ 2036 Lacs as against ₹ 4414 Lacs of the previous year resulting in a decrease of 53.87%.

INTERNATIONAL BUSINESS:

The Company's export during the year under review has decreased to ₹ 279704 Lacs as compared to ₹ 362009 Lacs during the previous year resulting in decrease of 22.74%.

DIVIDEND RECOMMENDED

Your Directors have recommended a dividend of 10% (₹ 1/- Per Equity Share of ₹ 10/- each) subject to the approval of share owners in the ensuing Annual General Meeting.

CHANGES IN SHARE CAPITAL

During the year under review there were no changes in the Share Capital of the Company.

ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS, SWEAT EQUITY, ESOS ETC.

During the year the Company has not issued any shares with differential rights, sweat equity, ESOS etc.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY

During the year under review there was no change in the nature of business of the Company.

SUBSIDIARIES AND ASSOCIATES

The Company has as on 31st March, 2019 Six Subsidiaries namely MK Web-Tech Pvt. Ltd., KPL Exports Ltd. & Adyashakti Realtors Ltd. as its Wholly Owned Subsidiary Companies and Kothari Products Singapore Pvt. Ltd., Pinehills (Singapore) Pte. Ltd. (A wholly owned subsidiary of Kothari Products Singapore Pvt. Ltd.) & Savitrimata Realtors Private Limited as its Subsidiary Companies. Further, the Company also has as on 31st March, 2019, Seven Associate Companies as mentioned in the notes of the Financial Statements of the Company. During the year under review M/s. Blackplinth Realtors Pvt. Ltd. a Subsidiary Company, ceased to be a Subsidiary company.

The prescribed salient features of the financial statements of the aforesaid Subsidiary companies and Associates Companies as per sub section 3 of section 129 of the Act have been disclosed in a separate statement attached to the consolidated Financial Statements which form part of this Annual Report. The statement reflects the performance and financial position of each of the Subsidiaries and Associates, as required by Rule 8 (1) of the Companies (Accounts) Rules, 2014. The Company hereby undertakes that the Annual Accounts of the subsidiary companies and their related detailed information shall be made available to the shareowners of the holding and subsidiary companies seeking such information at any point of time and shall also be placed on the website of the holding Company. The Annual Accounts of the subsidiary companies shall also be kept for inspection by any shareowner at the Registered Office of the holding company and of the subsidiary companies concerned.

HIGHLIGHTS OF PERFORMANCE OF SUBSIDIARIES & ASSOCIATES

The highlights of performance of subsidiaries & associates during the year under review and their contribution to the overall performance of the Company are mentioned in the form AOC-1 and Statement of Additional Informations as per schedule III to the Companies Act, 2013 of the aforesaid subsidiaries & associates, appended to the Consolidated Financial Statements accompanying this report.

PROPOSED AMALGAMATION OF ADYASHAKTI REALTORS LTD. WITH THE COMPANY

The Board of Directors of your Company has, during the year under review, accorded its in-principle consent to pursue the proposal for Amalgamation of Adyashakti Realtors Ltd. (A 100% subsidiary of the Company having its Registered Office at – 7, Chittaranjan Avenue, Kolkata – 700072) with the Company. The preparation of draft scheme of amalgamation and other connected works are in progress and the same will be informed & sent to you once they are finalized and approved by the Board of Directors.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri Mitesh Kothari, Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment.

Further, Sri Pramod Kumar Tandon, Sri Vikas Chaturvedi and Dr. Avinash Gupta, were appointed as Independent Directors w.e.f. 19th September, 2014 for period of 5 years and hold office of Independent Directors up to 18th September, 2019 and being eligible, have been proposed to be re-appointed by the Board of Directors to hold office for the second term of 5 (five) consecutive years on the Board of the Company.

There is no change in the Key Managerial Personnel during the year.

NUMBER OF THE BOARD MEETINGS

The Company held Five Board Meetings during the year 2018-19 and the details of aforesaid meetings are given in the Corporate Governance Report.

FIXED DEPOSITS

The Company has not accepted any Fixed Deposits from the public during the financial year 2018-19, hence the particulars relating to the aforesaid are not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Sec.134 (3) (c) read with Sec. 134(5) of the Companies Act, 2013, your Directors confirm:

- (i) That in the preparation of the annual accounts for the year ended 31st March, 2019, the applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and 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 the financial year and of the profit of the company for the year under review;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts for the year under review on a going concern basis.
- (v) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

COMMITTEES OF THE BOARD

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company has constituted following committees:-

1. Audit Committee.
2. Stakeholders Relationship Committee.
3. Nomination & Remuneration Committee.
4. Corporate Social Responsibility Committee.
5. Risk Management Committee

The Composition, Scope and Powers of the aforementioned Committees together with details of their meetings held during the period under review, forms part of the Corporate Governance Report.

ANNUAL REPORT ON CSR ACTIVITIES

As required by the Companies (Corporate Social Responsibility Policy) Rules, 2014 the annual report on CSR activities undertaken by the Company during the year under review is attached as '**Annexure-1**' to this Directors Report.

POLICIES OF THE COMPANY

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, the Company has framed following Policies:-

1. Corporate Social Responsibility Policy.
2. Nomination & Remuneration policy.
3. Risk Management Policy.
4. Whistle Blower Policy/Vigil Mechanism.
5. Policy on Material Subsidiaries.
6. Policy on Related Party Transactions.
7. Policy determining materiality of events/information.
8. Policy on code of Practices and Procedures for fair disclosure of Insider Trading.
9. Policy on Code of Business conduct & ethics.
10. Policy on Preservation of Documents.

The details of the aforesaid policies are mentioned in the Corporate Governance Report and copies of the aforesaid policies are placed on the website of the Company. However as required by section 178 of the Companies Act, 2013, the Remuneration Policy developed by the Company is attached herewith as "**Annexure-2**".

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the provisions of the Companies Act, 2013 read with the IEPF Authority (Accounting, Audit, Transfer & Refund) Rules, 2016, all dividends remaining unpaid/unclaimed for a period of 7 years from the date of their transfers are required to be transferred by the Company to the IEPF established by the Government of India. Accordingly all unpaid or unclaimed dividends upto the Financial Year 2010-11 have already been transferred and for the Financial Year 2011-12 will be transferred by the Company by October, 2019 to the aforesaid fund. Further, as per the aforesaid provisions all relevant shares corresponding to the aforesaid unpaid/unclaimed dividends have also been transferred to the demat account of the IEPF authority as per the details mentioned below, the details of the aforesaid shares are available under the heads “Investor’s Section” on the website of the company:-

Sl. No.	Particulars	No. of Shareholders	No. of Shares
1.	Aggregate number of shareholders & the outstanding shares in the above Demat account lying at the beginning of the year i.e. on April 1, 2018	39	4198
2.	Number of shareholders who approached issuer for transfer of shares from above Demat account during the year	Nil	Nil
3.	Number of shareholders whose shares transferred from above Demat account during 2018-19	Nil	Nil
4.	No. of shareholders whose shares transferred to the above demat account during 2018-19	18	2518
5.	Aggregate number of shareholders and outstanding shares in the above demat account lying at the end of the year as on March 31, 2019	57	6716

Voting rights on the equity shares lying in the above demat account shall remain frozen until the rightful owner of such equity shares claims these equity shares.

DECLARATION BY INDEPENDENT DIRECTORS

Sri Pramod Kumar Tandon, Sri Vikas Chaturvedi and Dr. Avinash Gupta are Independent Directors on the Board of the Company. All the above named Independent Directors have given their respective declarations under Section 149(6) of the Companies Act, 2013 and the Rules made thereunder. In the opinion of the Board, the Independent Directors fulfill the conditions relating to their status as Independent Directors as specified in Section 149 of the Companies Act, 2013 and the Rules made thereunder.

STATUTORY AUDITOR AND AUDITORS’ REPORT

M/s Rajiv Mehrotra & Associates, Auditors of the Company have carried out the Audit of the Company and have submitted Auditor’s Report attached with the Financial Statements of the Company accompanying this Report. The aforesaid report does not contain any qualification, reservation or adverse remarks which need explanation in the Director’s Report. Further, the Auditors have not reported any fraud under Section 143(12) of The Companies Act, 2013.

SECRETARIAL AUDIT & ITS REPORT

As required by section 204 of The Companies Act, 2013, M/s Adesh Tandon & Associates, Practicing Company Secretary of Kanpur was appointed as the Secretarial Auditor of the Company and he has carried out the Secretarial Audit of the Company and has submitted his Report which is annexed to this report as ‘Annexure-3’. The aforesaid Report contains only one observation regarding non spending of CSR expenditure. The reasons for non - spending of CSR expenditure are mentioned in this report’s “Annexure-1”.

LOANS, GUARANTEES OR INVESTMENTS

The details of the Loans, guarantees and investments covered under sec.186 of the Companies Act, 2013 form part of the financial statements accompanying this Report.

STOCK EXCHANGE LISTING & COMPLIANCE

The Shares of the Company are presently listed at Bombay Stock Exchange Ltd., Mumbai & National Stock Exchange of India Ltd., Mumbai and the Company is regularly complying with all the provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

CORPORATE GOVERNANCE REPORT

A detailed Corporate Governance Report that also contains disclosures as per Section 134 and 177 of the Companies Act, 2013 is attached and forms part of this Annual Report.

A certificate from the statutory auditors of the Company regarding compliance with the conditions of Corporate Governance as required under SEBI (Listing Obligations & Disclosures Requirement) Regulations, 2015 is part of this Annual Report.

BOARD EVALUATION

Pursuant to provisions of the Companies Act, 2013 & SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Board has carried out an Annual performance evaluation of its own performance, its committees and the Directors individually.

The evaluation of non-independent Directors, Chairman and the Board as a whole was done at a separate meeting held by independent Directors. The performance evaluation of independent Directors was done by the entire board, excluding Directors being evaluated.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place, an Anti-sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.

An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment, if any. All employees (Permanent, Contractual, Temporary, Trainees) are covered under this policy. There were no complaint received from any employee during the financial year 2018-19 and hence no complaint is outstanding as on 31.03.2019 for redressal.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

The information, as required under SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 is as under:-

a) INDUSTRY STRUCTURE AND DEVELOPMENTS

As per World Economic Outlook released by IMF in April 2019, after strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies.

There have been several developments in the global arena with the US-China trade wars being at the forefront. Prima facie it looks like that there could be something positive for India. The issue of Brexit is also to be resolved and in these uncertain times there is also discussion on whether or not India will be able to leverage any collateral gains from any of these changes so as to enhance growth in exports. The government has highlighted exports as a focal area and hence both headwinds and tailwinds operating from the outside world which will impact the future course of our trade.

The Economic Survey for 2018-19 has reaffirmed the slowdown in the domestic economy and has indicated a marginal and gradual pick up in the ongoing financial year (2019-20), contingent on a pick-up in private investments and consumption. Domestic political stability is seen as providing an impetus to future economic activity.

In view of aforesaid the domestic industry may grow but the international trade would be under pressure both in terms of value and margins, which would also be a great challenge to your Company.

b) OPPORTUNITIES & THREATS

The Union Budget 2019-20 laid out the strategic blue print to make India a USD 5 Trillion economy in next few years. By focusing broadly on infrastructure, affordable housing, recapitalization of PSU banks and supporting NBFCs and agriculture sector, government has shown intent to revitalize the economy. However the prospects for the export sector are not projected to see an improvement owing to global trade tensions and political uncertainties which could impact economic growth. Moreover the trading industry may face the risk of imposition of higher tariffs on import/export of certain commodities by the government of some countries. The same may also result in price war among key competitors.

As the Company deals in international trade, it is exposed to foreign currency risks but fluctuation risk is minimized to the great extent by natural hedging. Company also has in house treasury with well-defined hedging policy through which company monitors its currency exposure on continuous basis and employs various hedging tools like forward cover, options etc.

Company does have comprehensive risk management system in place which includes internal controls which are commensurate to the size and nature of the inherent risks of company's businesses. These Risk Management system and processes enable the company in identifying and managing the risks appropriately.

c) SEGMENT-WISE PERFORMANCE

In trading division company's emphasis is on consolidation and diversification instead of expansion. **Company has surrendered its credit facilities under consortium banking arrangements as it was not getting desired benefits / support from banking channels, which has affected the trading sector performance.** The revenue of the Trading division during the year under review has been ₹ 325701 Lacs as compared to ₹ 422178 Lacs during the previous year and that of the Real Estate etc., has been ₹ 3930 Lacs as compared to ₹ 2059 Lacs during the previous year. The profit before tax and interest from both the aforesaid division is at ₹ 1484 Lacs and ₹ 3524 Lacs respectively as compared to previous year figures of ₹ 6474 Lacs & ₹ 1198 Lacs respectively.

d) OUTLOOK:

As a result of these developments, global growth is now projected to slow down and with trade tensions increasingly taking a toll on business confidence internationally, so, financial market sentiment is sluggish and the outlook for the International Trade for your Company looks challenging.

However your Company, with the stable government at the centre and make in India initiative, sees improvement in domestic trade and real estate business. The period of crisis and uncertainty in the markets seem to be short lived which we feel your company will be able to tide over properly and shall also embark upon other trade prospects including diversification.

e) RISKS AND CONCERNS:

These aspects have been mentioned under the Heading "Opportunities and Threats"

f) DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE COMPARED TO THE IMMEDIATE PREVIOUS FINANCIAL YEAR)

S. No	Financial Ratios	2018-19	2017-18	% Change	Remarks for Variation
1	Debtors Turnover Ratio	2.34	3.47	(32.61)	Majorly due to change in business model.
2	Interest Coverage Ratio	1.76	6.16	(71.38)	Majorly due to increase in interest cost and decrease in profit.
3	Current Ratio	1.44	1.10	30.70	Although there is decrease in both current assets and current liabilities but CL decreased more than CA due to sharp decrease in creditors because of change in business model / surrender of bank credit facilities.
4	Debt Equity Ratio	0.0018	0.0028	(34.13)	Majorly due to reduction of long term liabilities.
5	Operating Profit Margin (%)	0.81	1.81	(55.48)	Due to reduction of interest income on FDRs and Forex Loss.
6	Net Profit Margin (%)	0.63	1.06	(40.57)	Due to reduction of interest income on FDRs and increase in interest cost.
7	Return on Networth (%)	2.33	5.09	(54.20)	Due to reduction of overall profitability because of reduction of interest income on FDRs and Forex Loss.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial control systems & other internal control procedures commensurate with the size of the Company and the nature of its business for the import & export of commodities, minerals etc., purchase of assets and with regard to the sale of goods to ensure proper recording of financial & operational information and compliance of various statutory compliances.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

These discussions have been enumerated under the headings “Financial Performance”, “2019 in Retrospect” & “Segment wise Performance” of this Report.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONT

Human Resource is the most important element of any organization. Our Core Values are discipline, trust, integrity and work style. Core Values are established to align all the people in the organization in the direction of achieving stated goals all throughout the organization. The Company is taking sufficient steps for employee engagement and motivation. This has resulted in reduction of employee turnover. Your Company focuses on recruiting and retaining the best talent in the industry. Moreover, Company provides them proper induction, training and knowledge upgradation for the individual as well as organizational growth. The Company continues to maintain its record of cordial and harmonious industrial relations without any interruption in work. Further, as on 31st March, 2019 the Company had 62 employees on its roll.

RISK MANAGEMENT

The Company has in place a Risk Management framework to identify, Evaluate & Monitor Business Risks & Challenges across the Company. The Company has developed and implemented a Risk Management Policy for the Company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014 is as under:-

[A] CONSERVATION OF ENERGY

- Energy Conservation Measures taken: - The Company has taken all measures for conservation of energy most economically.
- The steps taken by the Company for utilizing alternate source of energy:- As the Company does not have any manufacturing facility no such steps have been taken by the Company.
- The capital Investments on energy conservation equipments: - As the Company does not have any manufacturing facility no such investment has been made by the Company

[B] TECHNOLOGY ABSORPTION:

Since there is no manufacturing activity in the Company hence the information prescribed under this heading is not applicable to the Company.

[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:

(Amount in Lacs)

		CURRENT YEAR	PREVIOUS YEAR
a)	Earning in Foreign Exchange	279704	362009
b)	Expenditure in Foreign Currency	317331	394302

INDUSTRIAL RELATIONS:

Cordial and harmonious industrial relations prevailed throughout the year.

PARTICULARS OF EMPLOYEES:

The information as specified in Sec.197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended, is attached herewith as 'Annexure-4' to this Report. Further, the information required under Sec.197 (12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended form part of this Report. However as per Section 136 of The Companies Act, 2013 the Annual report and Accounts are being sent to the members excluding the statement containing the names and other details of top ten employees in terms of remuneration drawn as required u/s 197 (12) of the Act read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014. However the aforesaid statement is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

EXTRACTS OF THE ANNUAL RETURN

As per Section 92(3) of The Companies Act, 2013, read with Rule 12 of The Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of the Company in Form No. MGT-9 is attached to this report as 'Annexure-5'.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013 have been enclosed with the report in the prescribed format **AOC-2** as 'Annexure-6'.

SECRETARIAL AUDIT & ITS REPORT OF MATERIAL SUBSIDIARY - M/s KPL EXPORTS LIMITED

M/s KPL Exports Limited is the only Material Unlisted Subsidiary of the company as per the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Secretarial Audit of the aforesaid Subsidiary has been carried out by M/s Gupta Saurabh & Associates, Practicing Company Secretary of Kanpur and he has submitted his report on the same which is annexed to this report as 'Annexure- 7'.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant, material orders passed by the regulators or courts or tribunals which would impact the going concern status of the Company and its future operations.

CASH FLOW STATEMENT

In conformity with the Regulation 34(2)(c) of the SEBI(Listing Obligations & Disclosure Requirements) Regulations 2015, the Cash Flow Statement for the year ended 31st March, 2019 is forming part of this Annual Report.

MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRING AFTER BALANCE SHEET DATE

There have been no material changes and commitments which have occurred between the end of Financial Year and the date of this report which can have impact on financial position of the Company.

COST RECORDS

Maintenance of cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 is not required by the Company.

COMPLIANCE WITH SECRETARIAL STANDARDS

The applicable secretarial standards issued under section 118 of the Companies Act, 2013, have been complied with.

ACKNOWLEDGEMENT

Your Directors wish to place on record their sincere appreciation for the continued co-operation and support extended by various Government Departments, Bankers, Dealers & suppliers and also acknowledge and appreciate the contribution made by the employees.

The Board also wishes to place on record its gratitude to the valued customers, members and investors for their continued support and confidence in the Company.

For and on behalf of the Board

Sd/-

(DEEPAK KOTHARI)

Chairman & Managing Director

Sd/-

(MITESH KOTHARI)

Executive Director

PLACE : KANPUR

DATE : 29th May, 2019

ANNEXURE-1 TO DIRECTORS' REPORT

Annual Report on CSR Activities and CSR Policy

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.

The Board of Directors of the Company, after taking into account the recommendations of the CSR Committee, has approved a CSR Policy for the Company. As required under Section 135(4) of the Companies Act, 2013, this policy has been uploaded on the Company's website at <http://www.kothariproductions.in> under the Link-"Investors Section".

The Company is undertaking its CSR activities approved by its CSR Committee through "Maa Sharda Charitable Trust". The aforesaid Trust has been established by the Company as the Settlor/Founder. The aforesaid Trust is focusing in the area of education and other objects of general public utility as specified in Schedule VII to The Companies Act, 2013.

2. Composition of the CSR Committee

The composition of the CSR Committee is as mentioned in the Corporate Governance Report forming part of this Annual Report.

3. Average net profit of the company for the last three financial years, as per Section 198 of the Companies Act, 2013

The average net profits of the company for last three financial years ended 31st March, 2018 is ₹ 647806004

4. Prescribed CSR expenditure (two percent of the amount as in item 3 above)

The prescribed CSR expenditure for the year is ₹ 12956120 (2% of ₹ 647806004).

5. Details of CSR spent during the financial year

The Company could not spend any amount towards the CSR Expenditure during the year due to the reasons mentioned below in point no.6:-

(₹ In Crores)

Sl. NO.	CSR Projects or activity identified.	Sector in which the project is covered. (clause No. iii of schedule VII to the Companies Act, 2013 as amended)	Projects or Programs (1)Local area or other (2)specify the State and district where projects or programs was undertaken	Amount outlay (budget) Projects or Programs wise	Amount spent on the Projects or Programs during the year Sub-heads: (1)Direct expenditure on Projects or Programs (2)Over-heads:	Cumulative expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1	Community Development, old age homes and Day Care Centres	Setting up of old age homes, Day Care Centres & such other facilities for senior citizens and measures of reducing inequalities faced by socially and economically backward groups	Kanpur & Kanpur Dehat	10.00	Nil	4.47	Through "MaaSharda Charitable Trust"

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report.

The Company considers social responsibility as an integral part of its business activities and endeavors to utilize allocable CSR budget for the benefit of society. In each of the earlier years the company has made full CSR

expenditure as prescribed under the Companies Act, 2013. The Company's CSR initiatives are on the focus areas approved by the Board benefitting the community & senior citizens. Taking into account the commitments made by the Company for the CSR projects/programmes which are in progress and the scale of the project proposed, the planning and designing of the project is in progress and the overall project is bound to extend much over the financial year and because of such reasons, the Company was not able to spend any amount on the CSR activities during the year under review. The CSR activities are scalable and after the completion of overall plan and designs of the Project, moving forward the Company will endeavor to spend the full amount on CSR activities in accordance with the statutory requirements, barring unforeseen circumstances.

7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the company

The CSR Committee confirms that the implementation and monitoring of the CSR Policy, is in compliance with the CSR objectives and policy of the Company.

For and on behalf of the Board

Sd/-

(DEEPAK KOTHARI)

Chairman & Managing Director

Sd/-

(MITESH KOTHARI)

Executive Director

PLACE : KANPUR

DATE : 29th May, 2019

ANNEXURE-2 TO THE DIRECTORS REPORT

NOMINATION AND REMUNERATION POLICY OF KOTHARI PRODUCTS LIMITED

OBJECTIVES OF THE POLICY

- I. The Company's Remuneration Policy is aimed to attract and retain the best talents by ensuring a fair, transparent and equitable remuneration to employees and Directors, based inter alia on individual job requirements, responsibilities, commensurate qualifications of individuals, experience, the performance of the Company and the performance / contribution of the individual employee. The policy enables a framework that allows for fair rewards for the achievement of key deliverables, in line with industry and Group practice.
- II. The Company follows a compensation mix of fixed and performance linked variable pay. Individual performance pay is measured through a structured and transparent appraisal process.

Managing Director (MD) / Executive Director (ED) / Whole-time Director (WTD)

- III. When determining the remuneration for the MD / ED / WTD the Company will take into account the market sector that it operates, business performance and the practices in other comparable Companies including global companies when appropriate.
- IV. The Company pays remuneration by way of Salary, Perquisites, Gratuity and Commission to its MD / ED / WTD, within the overall ceiling limits approved by the Shareholders of the Company, subject to the provisions of the Companies Act, 2013. The Nomination and Remuneration & Compensation Committee recommends the commission payable to the MD / ED / WTD based on the profits for the financial year and as per the policy of the Company based on the performance of the Company as well as that of the MD / ED / WTD and as prescribed under the Companies Act and within overall limits approved by the shareholders. The Board of Directors reduces the commission payable for the year based on the recommendations of the Nomination & Remuneration Committee.
- V. The Company also extends other perquisites as is applicable to the Senior Management Personnel of the Company and as per the Policy of the Company as may be approved by the Nomination and Remuneration Committee / Board of Directors from time to time.

Non-Executive & Independent Directors

The Company currently pays sitting fees for attending the meetings of the Board. Any change in this fee would have to be approved by the Board of Directors/Shareholders within the limits and provisions of the Companies Act, 2013.

The Company also reimburses the out-of-pocket expenses incurred by the Directors for attending the meetings as and when applicable.

Key Managerial Personnel (KMP) & Senior Management Personnel (SMP)

KMP as defined in the Companies Act, includes the Chief Financial Officer and the Company Secretary. The Senior Management Personnel are all those Executives who directly report to the MD / ED / WTD i.e. one level below the Board of Directors.

The Compensation package to the KMPs and the SMPs will comprise:

- Salary and applicable allowances. The annual salary revision for members of the KMPs and SMPs will be subject to approval by the Nomination and Remuneration Committee.
- A performance linked variable pay, based on the performance of the Company and the concerned individual, within the Intellect Group's overall Policy on variable pay.
- Applicable Perquisites based on HR policies.
- Provident Fund, Gratuity and other retrieval benefits in accordance with the relevant statutes.
- Any other perquisite in accordance with the Policy of the Company and as approved by the Nomination & Remuneration Committee / Board of Directors, from time to time.

For and on behalf of the Board

Sd/-

(DEEPAK KOTHARI)

Chairman & Managing Director

Sd/-

(MITESH KOTHARI)

Executive Director

PLACE : KANPUR

DATE : 29th May, 2019

ANNEXURE-3 TO THE DIRECTORS REPORT

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Kothari Products Limited

Pan Parag House,

24/19, the Mall, Kanpur - 208001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KOTHARI PRODUCTS LIMITED** (hereinafter called as “**the Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 (“Audit Period”), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made there under as amended from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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 amended from time to time:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) 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) Regulations, 1993 regarding the Companies Act and dealing with the client (**Not applicable to the Company during the Audit Period**);
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the Audit Period**);
 - (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (**Not applicable to the Company during the Audit Period**);

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further report that, having regard to the compliance system prevailing in the Company and as certified by management and on examination of the relevant documents and records in pursuance thereof, on test check basis, there are no specific laws applicable to the company.

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

- I. Secretarial Standards issued by the Institute of Company Secretaries of India (as amended from time to time);
- II. The Listing Agreement as entered into by the Company with the Stock Exchange(s).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. However, no amount has been spent by the Company towards Corporate Social Responsibility for the financial year 2018-19 as per section 135 of the Act.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on 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.

All decisions at the Board Meetings and Committee Meetings have been carried out without dissent, as recorded in the minutes of the meetings of the Board or Committees of the Board, as the case may be.

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

We further report that, during the Audit Period there were no instances of:

- (i) Public/Right/Preferential issue of shares/ debentures/sweat equity etc;
- (ii) Redemption / buy-back of securities;
- (iii) No major decisions were taken by the members in pursuance to section 180 of the Act;
- (iv) Merger / amalgamation / reconstruction etc, however Board of Directors of the Company accorded its in-principle consent to pursue the amalgamation of Adyashakti Realtors Limited (a wholly owned subsidiary of the Company having its registered office at 7, Chittaranjan Avenue, Kolkata - 700072) with the Company;
- (v) Foreign technical collaborations.

For Adesh Tandon & Associates
Company Secretaries

Adesh Tandon
Proprietor
FCS No. 2253
C.P. No. 1121

Place: Kanpur
Date: May 29, 2019

Note: This Report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of this report.

‘Annexure - A’

To,
The Members
Kothari Products Limited

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure 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.

For Adesh Tandon & Associates
Company Secretaries

AdeshTandon
Proprietor
FCS No. 2253
C.P. No. 1121

Place: Kanpur
Date: May 29, 2019

ANNEXURE - 4 TO DIRECTORS' REPORT

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- The percentage increase in remuneration of each Director and KMP during the financial year 2018-19, Ratio of remuneration of each Director to Median Remuneration of Employees of the Company for the Financial Year 2018-19 are as under:

Sl. No.	Name of Director/KMP and Designation	Remuneration of Director/KMP for Financial year 2018-19 (₹)	% Increase/decrease in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director to Median Remuneration of Employees
1.	Sri Deepak Kothari, Chairman & Managing Director	5491046	(63.38)%	13.81:1
2.	Sri Mitesh Kothari, Executive Director	7165638	(66.79)%	18.02:1
3.	Sri Pramod Kumar Tandon, Independent Director	12000	(20)%	0.03:1
4.	Sri Vikas Chaturvedi, Independent Director	12000	(20)%	0.03:1
5.	Dr. Avinash Gupta, Independent Director	3000	3000%	0.01:1
6.	Smt. Poonam Acharya, Director	6000	6000%	0.02:1
7.	Sri Raj Kumar Gupta, CS & Compliance Officer	955380	NIL	2.40:1
8.	Sri Anurag Tandon, C.F.O.	4334400	NIL	10.90:1

- The median remuneration of employees of the company during the financial year was ₹ 397693.
- The percentage increase/decrease in the median remuneration of employees in the financial year:-
In the financial year, there was a decrease of 12.75% in the median remuneration of employees.
- The number of permanent employees on the rolls of Company:-
There were 62 permanent employees on the rolls of the Company as on 31st March, 2019.
- Average percentile increase/decrease already made in the salaries of employees other than the managerial personnel in the financial year 2018-19 and its comparison with the percentile increase/decrease in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase/decrease in the managerial remuneration:-
Average percentage decrease in the salaries of employees other than the Managerial Personnel in the last financial year i.e. 2018 -19 was 12.75 % whereas there was decrease in the Managerial Personnel remuneration of 65.08% during the last financial year. The aforesaid decrease in the Managerial Remuneration is due to decrease in the Commission on the net profits of the Company.
- Commission, which is part of Remuneration of Sri Deepak Kothari, Chairman & Managing Director and Sri Mitesh Kothari, Executive Director, is based on the Net Profits of the Company.
- Affirmation that the remuneration is as per the remuneration policy of the Company
It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

For and on behalf of the Board

Sd/-

(DEEPAK KOTHARI)

Chairman & Managing Director

Sd/-

(MITESH KOTHARI)

Executive Director

PLACE : KANPUR

DATE : 29th May, 2019

ANNEXURE - “5” TO DIRECTORS’ REPORT

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L16008UP1983PLC006254
ii	Registration Date	17.09.1983
iii	Name of the Company	KOTHARI PRODUCTS LTD.
iv	Category/Sub-category of the Company	PUBLIC COMPANY LIMITED BY SHARES
v	"Address of the Registered office & contact details"	“PAN PARAG HOUSE”, 24/19, THE MALL KANPUR – 208 001 (U.P.) PH : (0512)-2312171 – 74 & FAX NO. : (91) (0512) 2312058 E-MAIL : rkgupta@kothariproducs.in http://www.kothariproducs.in
vi	Whether listed company	YES
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Ltd. (Unit: Kothari Products Ltd.) “Alankit Heights” 1E/13, Jhandewalan Extension New Delhi – 110 055 Phone Nos. (011) 23541234 & 42541234 Fax Nos. (011) 41543474 E-mail : rta@alankit.com, Website : www.alankit.com

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	Wholesale Trading of Machine & Spares	4651	62.68%
2	Wholesale Trading of Coal	4661	17.89%

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	MK Web-Tech Pvt. Ltd. C/62, Vibgyor Tower, 9 th Floor, Bandra Kurla Complex, Bandra East, Mumbai- 400 051	U72200MH2005PTC152153	SUBSIDIARY	100%	2(87)
2	KPL Exports Limited “Pan Parag House” 24/19, The Mall, Kanpur-208 001	U74900UP2008PLC035118	SUBSIDIARY	100%	2(87)

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
3	Kothari Products Singapore Pte. Limited 101 Cecil Street # 11-01, Tong Eng Building, Singapore - 069 533	200809977K	SUBSIDIARY	99.9998%	2(87)
4	Savitrimata Realtors Pvt. Ltd. 7 Chittaranjan Avenue, PS Bowbazar, Kolkata, 700072	U45400WB2006PTC108572	SUBSIDIARY	51%	2(87)
5	Pinehills (Singapore) Pte Ltd., Singapore, 101 Cecil Street # 11-01, Tong Eng Building, Singapore - 069 533	201132797G	a wholly owned subsidiary of Kothari Products Singapore Pte Limited, a subsidiary of the Company	99.9998%	2(87)
6	Adyashakti Realtors Ltd. 7, Chittaranjan Avenue, 3 rd Floor, Kolkata- 700072	U70101WB2007PLC118961	SUBSIDIARY	100%	2(87)
7	Hara Parvati Realtors Pvt. Ltd. 7 Chittaranjan Avenue, PS Bowbazar, Kolkata, 700072	U70101WB2006PTC108570	ASSOCIATE	50%	2(6)
8	Real Griha Nirman Private Ltd. 7 Chittaranjan Avenue, Kolkata - 700072	U45201WB2004PTC100346	ASSOCIATE	50%	2(6)
9	Shubhadra Realtors Private Ltd. 7 Chittaranjan Avenue, Kolkata - 700072	U70109WB2006PTC111280	ASSOCIATE	50%	2(6)
10	Sankhya Realtors Private Ltd. 7, Chittaranjan Avenue, 3 rd Floor, Kolkata - 700072	U45200WB2006PTC111454	ASSOCIATE	45%	2(6)
11	SPPL Hotels Private Ltd. 7 Chittaranjan Avenue, 3 rd Floor, Kolkata - 700072	U55101WB2005PTC106405	ASSOCIATE	50%	2(6)
12	Sattva Realtors Ltd Salarpuria Windsor, 4 th Floor, No. 3, Ulsoor Main Road, Ulsoor, Bangalore - 560001	U70102KA2007PTC044240	ASSOCIATE	25%	2(6)
13	Neelanchal Con – Tech Pvt. Ltd. Salarpuria Windsor, 4 th Floor, No. 3, Ulsoor Main Road, Ulsoor, Bangalore - 560001	U45205KA2011PTC058638	ASSOCIATE	50%	2(6)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	19082407	0	19082407	63.94	19082407	0	19082407	63.94	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	3299998	0	3299998	11.06	3299998	0	3299998	11.06	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)	22382405	0	22382405	75	22382405	0	22382405	75	0
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	22382405	0	22382405	75	22382405	0	22382405	75	0
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	4768	0	4768	0.02	75	0	75	0	-98.42
c) Central govt/State Govt./ President of India	4198	0	4198	0.01	6716	0	6716	0.02	59.98
d) Venture Capital Fund	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) FIIS	0	0	0	0	0	0	0	0	0
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h) Others (specify)									
Foreign Portfolio Investor	44384	0	44384	0.15	0	0	0	0	-100
SUB TOTAL (B)(1):	53350	0	53350	0.18	6791	0	6791	0.02	-87.27
(2) Non Institutions									
a) Bodies corporates									
i) Indian	4410023	2150	4412173	14.78	4353612	1800	4355412	14.59	-1.29
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	2100477	174241	2274718	7.62	2201489	150834	2352323	7.88	3.41
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	416745	129150	545895	1.83	418844	129150	547994	1.83	0.38
c) Others (specify)									
TRUST	1500	0	1500	0.01	1500	0	1500	0.01	0
NBFC	1220	0	1220	0	525	0	525	0	-56.97
CLEARING MEMBERS	9094	0	9094	0.03	3326	0	3326	0.01	-63.42
RESIDENT-HUF	104268	0	104268	0.35	131238	0	131238	0.44	25.87
NRI	59242	0	59242	0.2	62351	0	62351	0.21	5.25
SUB TOTAL (B)(2):	7102569	305541	7408110	24.82	7172885	281784	7454669	24.97	0.63
Total Public Shareholding (B)= (B)(1)+(B)(2)	7155919	305541	7461460	25	7179676	281784	7461460	25	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0		0	0
Grand Total (A+B+C)	29538324	318891	29843865	100	29562081	281784	29843865	100	0

(ii) SHAREHOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Avinash Gupta	2250	0.008	0	2250	0.008	0	0
2	Deepak Kothari	16576596	55.544	0	16576596	55.544	0	0
3	Mitesh Kothari	609570	2.043	0	609570	2.043	0	0
4	Mitesh Kothari (HUF)	1828098	6.126	0	1828098	6.126	0	0
5	Dilip Jayanti Lal Shah	6750	0.023	0	6750	0.023	0	0
6	Sadhna V Kothari	4500	0.015	0	4500	0.015	0	0
7	Urvi Kothari	54643	0.183	0	54643	0.183	0	0
8	Dham Securities Pvt. Ltd.	3299998	11.058	0	3299998	11.058	0	0
	TOTAL	22382405	75.000	0	22382405	75.000	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SI No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		Date wise Increase/ Decrease (Remarks if any)
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company	
1	Dr. Avinash Gupta	2250	0.008	2250	0.008	No Change
2	Sri Deepak Kothari	16576596	55.44	16576596	55.44	No Change
3	Sri Mitesh kothari	609570	2.043	609570	2.043	No Change
4	Mitesh Kothari (HUF)	1828098	6.126	1828098	6.126	No Change
5	Dilip Jayantilal Shah	6750	0.023	6750	0.023	No Change
6	Sadhna V Kothari	4500	0.015	4500	0.015	No Change
7	Urvi Kothari	54643	0.183	54643	0.183	No Change
8	DHAM SECURITIES PVT. LTD.	3299998	11.058	3299998	11.058	No Change
	TOTAL	22382405	75	22382405	75	No Change

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTRES AND HOLDERS OF GDRs & ADRs)

Sl. No.	Name of top Ten shareholders at the beginning of the year	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date wise Increase/ Decrease (Remarks if any)
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company	
1	Magnus Properties Pvt. Ltd.	1690114	5.663	1690114	5.663	No Change
2	U.V.Buildcon Pvt. Ltd.	609118	2.041	609118	2.041	No Change
3	K.Raheja Corp. Pvt. Ltd.	462717	1.55	462717	1.55	No Change
4	Sattva Developers Pvt. Ltd.	450000	1.508	325764	1.09	-124236 (Decrease)
5	Vaishali Traders Pvt. Ltd.	388650	1.302	0	0	-388650 (Decrease)
6	UFLEX Ltd.	342900	1.149	342900	1.149	No Change
7	Vivek Mehrotra	129150	0.433	129150	0.433	No Change
8	Adit Realty Pvt. Ltd.	84850	0.284	84850	0.284	No Change
9	Gopikishan Shivkishan Damani	67500	0.226	67500	0.226	No Change
10	Yogita Garg	64350	0.216	0	0	-64350 (Decrease)
11	Sattva Real Estate Pvt. Ltd.	0	0	308950	1.04	308950 Increase
12	Laxminarayan Vyapaar Pvt. Ltd.	0	0	173022	0.58	173022 Increase

(v) SHAREHOLDING OF DIRECTORS & KMP

Sl. No.	Name of Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Sri Deepak Kothari	16576596	55.54	16576596	55.54
2	Sri Mitesh Kothari	609570	2.04	609570	2.04
3	Dr. Avinash Gupta	2250	0.01	2250	0.01
4	Sri Pramod Kumar Tandon	Nil	Nil	Nil	Nil
5	Smt. Poonam Acharya	Nil	Nil	Nil	Nil
6	Sri Vikas Chaturvedi	Nil	Nil	Nil	Nil
7	Sri Raj Kumar Gupta	Nil	Nil	Nil	Nil
8	Sri Anurag Tandon	Nil	Nil	Nil	Nil

V INDEBTEDNESS

(Amount in ₹)

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year	1,765,407,015.75	1,526,674,141.00	16,196,349.66	3,308,277,506.41
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,765,407,015.75	1,526,674,141.00	16,196,349.66	3,308,277,506.41
Change in Indebtedness during the financial year				
Additions	-	5746352048.00	-	5,746,352,048.00
Reduction	1,757,394,307.75	-	777,921.85	1,758,172,229.60
Net Change	1,757,394,307.75	5746352048.00	777,921.85	7,504,524,277.60
Indebtedness at the end of the financial year	8,012,708.00	7,273,026,189.00	15,418,427.81	7,296,457,324.81
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	8,012,708.00	7,273,026,189.00	15,418,427.81	7,296,457,324.81

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

(Amount in ₹)

Sl. No	Particulars of Remuneration	Name of the MD/WTM/Manager		Total Amount (in ₹)
		Deepak Kothari	Mitesh Kothari	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2400000	1800000	4200000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	2975661	5279100	8254761
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as 2% of profit	0	0	0
5	Others, please specify	0	0	0
	Gratuity	115385	86538	201923
	Total (A)	5491046	7165638	12656684
	Ceiling as per the Act	₹ 17190777/- (Being 10% of the net profits of the Company calculated as per Sec.198 of the Companies Act, 2013)		

B. Remuneration to other directors:

(Amount in ₹)

Sl. No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Pramod Kumar Tandon	Dr. Avinash Gupta	Vikas Chaturvedi	
	(a) Fee for attending Board Meetings	12,000	3000	12,000	27000
	(b) Commission	0	0	0	0
	(c) Others, please specify	0	0	0	0
	Total (1)	12000	3000	12000	27000
2	Other Non Executive Directors	Poonam Acharya			
	(a) Fee for attending Board Meeting	6000	0	0	6000
	(b) Commission	0	0	0	0
	(c) Others, please specify.	0	0	0	0
	Total (2)	6000	0	0	6000
	Total (B)=(1+2)	18000	3000	12000	33000
	Ceiling as per the Act	₹ 1719078/- (Being 1% of the net profits of the Company calculated as per sec. 198 of the Companies Act, 2013).			
	Total Managerial Remuneration				12689684
	Overall Ceiling as per the Act.	₹ 18909855/- (Being 11% of the net profits of the Company calculated as per sec. 198 of the Companies Act, 2013).			

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

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CS & Compliance Officer	CFO	
		Raj Kumar Gupta	Anurag Tandon	
1	Gross Salary			Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	948180	4334400	5282580
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	7200	0	7200
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission as % of Profit	0	0	0
5	Others, please specify	0	0	0
	Total	955380	4334400	5289780

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

THERE WERE NO PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES FOR THE YEAR ENDING 31ST MARCH, 2019.

For and on behalf of the Board

Sd/-

(DEEPAK KOTHARI)

Chairman & Managing Director

Sd/-

(MITESH KOTHARI)

Executive Director

PLACE : KANPUR

DATE : 29th May, 2019

ANNEXURE-6 TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: ----- NIL-----
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis

Sl. No.	Particulars	Details
(a)	Name(s) of the related party and nature of relationship	The details of the transactions with related parties are provided in the accompanying financial statements
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
(e)	Date(s) of approval by the Board, if any	
(f)	Amount paid as advances, if any	

For and on behalf of the Board

Sd/-

(DEEPAK KOTHARI)

Chairman & Managing Director

Sd/-

(MITESH KOTHARI)

Executive Director

PLACE : KANPUR

DATE : 29th May, 2019

ANNEXURE-7 TO DIRECTORS' REPORT

FORM No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR 31st March, 2019.

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

To,

The Members of,
KPL Exports Limited,
Pan Parag House, 24/19, The Mall,
Kanpur—208001 U.P.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KPL Exports Limited (U74900UP2008PTC035118) (hereinafter called the Company) for the financial year ended 31st March, 2019. 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering financial year ended on 31st March 2019 ('Audit Period') complied with the statutory provisions listed hereunder and also that 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 KPL Exports Limited ("The Company" is 100 % subsidiary of Listed Company, Kothari Products Limited), for the financial year ended on 31st March, 2019, according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under; (Not Applicable to the Company);
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; (Not required to be complied);
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
 - a. The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015;
The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company:-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- VI. All other relevant laws applicable to the Company as per the list shown by the management. The examination and reporting on those laws and rules are limited to whether there are adequate systems and processes in place to monitor and ensure compliance with those laws.

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

Secretarial Standards issued by The Institute of Company Secretaries of India.

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

The Board has in its report made under clause (o) of sub-section (3) of section 134, mentioned the reason for not spending the amount under section 135 of the Companies Act, 2013.

I further report that

The Board of Director of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and the women Director. There were no Changes in the composition of the Board of Directors during the period under review.

Ms. Ankita Bansal ceased to be Company Secretary w.e.f., 23rd February, 2019, due to resignation. Shri Ritesh Srivastava was appointed as Company Secretary w.e.f., 25th February, 2019.

Adequate notice is given to all Directors to schedule the Board meetings, agenda and details notes on agenda were sent 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.

As per the minutes maintained by the Company for the meetings of Board, Committee and Shareholders, decisions were approved by the respective Board / Committee/ shareholders and there were no dissent note(s)/review(s).

I further report that as per the explanations given to me and the representations made by the Management and relied upon by me generally there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

I further report that during the audit period, the company has undertaken following events / actions:-

- i) Member's approval has been obtained at the Extra Ordinary General Meeting held on 21st July, 2018, to borrow money, from time to time, in excess of the aggregate of the paid-up capital and free reserves and securities premium account of the company, up to an amount not exceeding 500 crores at any point of time.
- ii) The shareholders of the Company having passed Special Resolution in the Extra Ordinary General Meeting held on 21st July, 2018, authorized issue of 20,55,700 1 % Optionally Convertible Debentures, Series 1, at face value of ₹ 1,000/- at par by way of private placement.
- iii) The shareholders of the Company having passed Special Resolution in the Extra Ordinary General Meeting held on 3rd December, 2018, authorized issue of 7,20,000 6 % Optionally Convertible Debentures, Series 2, at face value of ₹ 1,000/- at par by way of private placement.
- iv) The shareholders of the Company having passed Special Resolution in the Extra Ordinary General Meeting held on 9th February, 2019, authorized issue of 2,20,000 6 % Optionally Convertible Debentures, Series 3, at face value of ₹ 1,000/- at par by way of private placement.
- v) The shareholders of the Company having passed Special Resolution in the Extra Ordinary General Meeting held on 13th March, 2019, altered the provisions of its Memorandum of Association with respect to its main objects. Certificate of Registration of special resolution confirming alteration of Object Clause was issued by the Registrar of Companies, Uttar Pradesh.
- vi) The shareholders of the Company having passed Special Resolution in the Extra Ordinary General Meeting held on 13th March, 2019, consented to convert the Company into a Public Limited Company.

The Company was converted into Public Limited Company, the name was changed to KPL Exports Limited w.e.f., 29th March, 2019, by virtue of 'Fresh Certificate of Incorporation consequent upon conversion from Private Company to Public Company' issued by the Registrar of Companies, Uttar Pradesh.

A part from above there were no specific events / actions such as buy back, merger, amalgamation etc.

for Gupta Saurabh & Associates
Company Secretaries

Saurabh Gupta
FCS No. 5468
C P No. 4910

Place : Kanpur

Date : 28th May, 2019

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

Annexure 'A'

To,
The Members of
KPL Exports Limited,
Pan Parag House, 24/19, The Mall,
Kanpur—208001 U.P.

Our 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-check basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our 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 happening 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-check 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.

for Gupta Saurabh & Associates
Company Secretaries

Saurabh Gupta
FCS No. 5468
C P No. 4910

Place : Kanpur
Date : 28th May, 2019.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Corporate Governance is a reflection of our policies, culture and relationship with shareowners, employees, customers, suppliers and diverse stakeholders. The Company has embedded the best of corporate governance practices in its day-to-day operations aimed at building trust with all stakeholders.

The Company's philosophy on Corporate Governance comprises of the objective of attainment of highest level of transparency, accountability and equity, in all facets of its operations. The Company firmly believes in and continues to practice good Corporate Governance. During the year the Company has further fine-tuned its corporate practices so as to bring them in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended till date.

BOARD OF DIRECTORS

COMPOSITION

The Board of Directors of the Company comprises of two Executive & Non-Independent Directors, One Non Executive Director and three Non-Executive & Independent Directors as on 31st March 2019, in line with the stipulations laid down by the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Non-Executive Directors are drawn from amongst persons with varied experience in Business & Industry. The Board presently has an Executive Chairman & Managing Director, an Executive Director and four Non-Executive Directors. Its composition as on 31st March, 2019 was as under:-

Name of the Directors	No. of Outside Directorships*	No. of Membership, Chairmanship in Other Board Committees #	Executive/ Non Executive/ Independent/ Promoter	Designation
Sri Deepak Kothari	4	2	Executive & Non-Independent (Promoter)	Chairman & Managing Director
Sri Mitesh Kothari	5	NIL	---do---	Executive Director
Dr. Avinash Gupta	2	NIL	Independent & Non-Executive Director	Director
Sri Pramod Kumar Tandon	5	1	----do---	Director
Sri Vikas Chaturvedi	NIL	NIL	----do---	Director
Smt. Poonam Acharya	NIL	NIL	Non-Executive Director	Director

* The no. of other Directorships held by Directors as mentioned above, do not include Directorships held in Private Limited Companies which are neither subsidiaries nor holding Companies of a Public Company. Further, none of the above directors holds directorship in any other listed Company.

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/ Chairmanships of only the Audit Committees and Stakeholder's Relationship Committee in all public limited companies (excluding Kothari Products Limited) have been considered.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND LAST ANNUAL GENERAL MEETING

Name	No. Of Board Meetings Held	No.of Board Meetings Attended	Attendance At Last A.G.M.
Sri Deepak Kothari	5	4	PRESENT
Sri Mitesh Kothari	5	5	PRESENT
Dr. Avinash Gupta	5	1	PRESENT
Sri Pramod Kumar Tandon	5	4	PRESENT
Sri Vikas Chaturvedi	5	4	PRESENT
Smt. Poonam Acharya	5	2	PRESENT

NO. OF MEETINGS HELD DURING THE YEAR & DATES

During the financial year 2018-19, FIVE (5) Board Meetings were held. The dates on which the said Meetings were held are given below:

26th May, 2018, 13th August, 2018, 13th October, 2018, 12th November, 2018 and 11th February, 2019.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:-

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 1st June, 2018 as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. At the Meeting, the Independent Directors:-

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of the Managing Director and Non-Executive Directors; and
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors of the Company attended the Meeting of Independent Directors. Sri Pramod Kumar Tandon Chaired the Meeting.

RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Sri Deepak Kothari is father of Sri Mitesh Kothari and accordingly Sri Mitesh Kothari is son of Sri Deepak Kothari. Except the aforesaid no other Directors of the Company is related to any other Director of the Company.

LIST OF CORE SKILLS/ EXPERTISE/COMPETENCIES OF DIRECTORS IN THE CONTEXT OF BUSINESSES OF THE COMPANY

The following is the list of core skills / expertise /competencies identified by the Board of Directors as required in the context of the Company's businesses and that the said skills are available with the Board Members:

- i) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values), major risks / threats and potential opportunities, the industry in which the Company operates and advising on domestic market and overseas market.
- ii) Behavioral skills - attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- iii) Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,
- iv) Financial and Management skills
- v) Technical / Professional skills and specialized knowledge in relation to the Company's businesses.
- vi) Environment, Health and Safety and Sustainability - Knowledge of working on environment, health and safety and sustainability activities.

CONFIRMATION THAT IN THE OPINION OF THE BOARD, THE INDEPENDENT DIRECTORS FULFILL THE CRITERIA OF INDEPENDENCE

In the opinion of the Board, the Independent Directors fulfill the conditions relating to their status as Independent Directors as specified in SEBI (Listing Obligations and Disclosure Requirements) Rules, 2015.

AUDIT COMMITTEE

The composition of the Audit Committee of the Company as on 31st March, 2019 was as under:-

Sl. No.	Name of Directors	Designation	Executive/Non-Executive/ Independent	No. of Meetings Held During the Year	Attendance of Each Director
1.	Sri Pramod Kumar Tandon	Chairman	Independent & Non-Executive	4	4
2.	Dr. Avinash Gupta	Vice Chairman	Independent & Non-Executive	4	1
3.	Sri Deepak Kothari	Member	Executive & Non Independent	4	3
4.	Sri Vikas Chaturvedi	Member	Independent & Non-Executive	4	4

The Constitution of the Committee meets with the requirements of Section 177 of the Companies Act, 2013.

Miss Anjani Kheterpal, Auditor & Sri Anurag Tandon, Chief Financial Officer are the permanent invitees and the Company Secretary Mr. Raj Kumar Gupta is the Secretary of the Committee.

The role and terms of reference of the Audit Committee covers the areas mentioned under Regulation 18 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors, which mainly includes:

The role of the Audit Committee includes oversight the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible, recommending the appointment, re-appointment, remuneration and terms of appointment of auditors, approval of payment to Statutory auditors for any other services rendered by the Statutory auditors, reviewing with the management, Quarterly financial statements and annual financial statements and auditor's report thereon before submission to the Board for approval, approval of any subsequent modification of transactions with related parties, Scrutiny of inter-corporate loans and investments, reviewing and monitoring the auditor's independence, performance & effectiveness of audit process, evaluation of internal financial control and risk management system, reviewing the adequacy of internal audit, if any, to review with the management the statement of uses/application of funds raised through an issue and the report submitted by the monitoring agency monitoring the utilization of proceeds of the issue and making appropriate recommendations to the Board to take up steps in this matter, to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders and creditors, to review the functioning of the whistle blower mechanism, to approve appointment of Chief Financial Officer and to carry out any other function as mentioned in the terms of reference of the Audit Committee.

The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business units. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.

NOMINATION & REMUNERATION COMMITTEE

The Company has constituted Nomination & Remuneration Committee pursuant to the provisions of Sec.178 of the Companies Act, 2013. The Composition of the committee is as under:-

Sl. No.	Name of Directors	Designation	Executive/Non-Executive/Independent	No. of Meetings Held During the Year	Attendance of Each Director
1.	Sri Pramod Kumar Tandon	Chairman	Independent and Non-Executive	1	1
2.	Dr. Avinash Gupta	Member	Independent and Non-Executive	1	NIL
3.	Sri Vikas Chaturvedi	Member	Independent and Non-Executive	1	1

The Committee's constitution and terms of reference are in compliance with the provisions of the Companies Act, 2013 & Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The role and terms of reference of the Nomination and Remuneration Committee broadly include:-

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of performance of every Director.
3. Devising a policy on diversity of Board of Directors.
4. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board of Directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the Independent Directors, on the basis of the report of Performance evaluation of Independent Directors.

PERFORMANCE EVALUATION CRITERIA:

As per the requirement of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Nomination and Remuneration Committee has carried out a performance review of the Individual Directors and Board as a whole on the following parameters:

- The size and composition (executive, non-executive, independent members and their background in terms of knowledge, skills and experience) of the Board is appropriate.
- The Board conducts itself in such a manner that it is seen to be sensitive to the interests of all stakeholders (including minority shareholders) and it has adequate mechanism to communicate with them.
- The Board is active in addressing matters of strategic concerns in its review of the Board agenda with the executive management.
- The Board makes well-informed high quality decisions on the basis of full information and clear insight into Company's business.
- The Board is effective in establishing a corporate environment that promotes timely and effective disclosure, fiscal accountability, high ethical standards and compliance with applicable laws and regulations.
- The Board meets frequently enough and for sufficient duration to enhance its effectiveness.
- The Board meeting time is appropriately allocated between management presentation and Board discussion.
- The Board has a good understanding of the Company's key drivers of performance and associated risks, threats and opportunities.
- The Board devotes considerable amount of time in developing the business strategy and annual business plan.
- The Board has clearly defined the mandates of its various committees and effectively oversees their functioning.
- The Board is effective in formulating and monitoring various financial and non-financial policies and plans.
- The Board is effective in developing a corporate governance structure that allows and encourages the Board to fulfill its responsibilities.
- The Board pays considerable attention to the quality of financial reporting process and internal financial controls and effectively oversees them.
- The Board regularly follows up on its decisions to ensure that action is taken on all its decisions.
- The Board gives effective advice and assistance for achieving the Company's mission and vision.

Remuneration Policy of the Company, interalia, includes to ensure that:-

- a. The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the company successfully.
- b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- c. Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals. The details of Directors' Remuneration paid during the year to all the Directors are as under :-

(Amount in ₹)

Names of Directors	Mr. Deepak Kothari	Mr. Mitesh Kothari	Dr. Avinash Gupta	Mr. Pramod Kumar Tandon	Mr. Vikas Chaturvedi	Smt. Poonam Acharya
Salary	2400000	1800000	-	-	-	-
Gratuity	115385	86538	-	-	-	-
Perquisites	2975661	5279100	-	-	-	-
Commission	-	-	-	-	-	-
Sitting Fees	-	-	3000	12000	12000	6000

STAKE HOLDERS RELATIONSHIP COMMITTEE

The Company has constituted stakeholders relationship committee pursuant to the provisions of Sec.178 of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 to take care of matters relating to redressal of shareowners'/investors' complaints, to recommend measures to improve the level of investors' services and simultaneously to expedite the process of Share Transfers. The Committee also approves requests for Share Transfers/Issue of Duplicate Share Certificates/Issue of new certificates on split, consolidation, renewal, requests for transmission of shares etc., requests for non-receipt of annual report and non-receipt of declared dividends etc., Accordingly the Constitution of the Committee as on 31st March, 2019 is Sri Pramod Kumar Tandon as its Chairman and Sri Deepak Kothari, Sri Mitesh Kothari & Dr. Avinash Gupta as its members.

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent/ issues resolved usually within 15 days except in case of dispute over facts or other legal constraints.

Name of the Non-executive Director heading the Committee	Sri Pramod Kumar Tandon
Name & Designation of Compliance Officer	Sri Raj Kumar Gupta, CS & Compliance Officer
No. of Shareowners Letters/complaints received during the financial year	2
No. of Letters/Complaints not replied/solved to the Satisfaction of the shareowners	All the Letters/Complaints received by the Company have been replied/solved to the satisfaction of the complainants.
No. of pending Complaints	None of the Complaints is pending as at 31 st March, 2019.

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

Only Dr. Avinash Gupta holds 2250 shares in the Company. No other Non-Executive Director holds any shares in the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Pursuant to the provisions of sec.135 of the Companies Act, 2013, the Company has constituted Corporate Social Responsibility Committee on 3rd April, 2014. This committee has been entrusted with the responsibility of formulating/reviewing from time to time the Corporate Social Responsibility Policy broadly indicating the activities to be undertaken by the Company that are mandatory in the implementation of the framework of Corporate Social Responsibility Policy and recommend the money to be spent on each of the activities as prescribed under the Act and the rules made thereunder. The Composition of this Committee as on 31st March, 2019 is as under:-

Names of Directors	Designation in the Committee	Category
Sri Pramod Kumar Tandon	Chairman	Non-Executive & Independent
Dr. Avinash Gupta	Member	Non-Executive & Independent
Sri Deepak Kothari	Member	Executive & Non- Independent

RISK MANAGEMENT COMMITTEE

The Company has constituted on 18th September, 2014, Risk Management Committee pursuant to the erstwhile revised clause 49 of the Listing Agreement and pursuant to the Risk Management Policy of the Company to perform the functions specified in the aforesaid clause 49 which inter-alia include mainly to manage and minimize the risk which are inherent in the business of the Company. The Composition of the committee as on 31st March, 2019 is as under:-

Names of Directors	Designation in the Committee	Category
Sri Pramod Kumar Tandon	Chairman	Non-Executive & Independent
Sri Vikas Chaturvedi	Member	Non-Executive & Independent
Dr. Avinash Gupta	Member	Non-Executive & Independent
Sri Deepak Kothari	Member	Executive & Non- Independent

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

Pursuant to Section 177 of The Companies Act, 2013, the Board has adopted a Whistle Blower Policy to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or disclosure practices of the Company. It gives a platform to the Whistle blower to report any unethical or improper practice (not necessary violation of law) and to define processes for receiving and investigating complaints. The Company has appointed Sri Anurag Tandon, Chief Financial Officer as its Vigilance Officer and his address is Kothari Products Limited, C/62, Vibgyor Tower, 9th Floor, Bandra Kurla Complex, Bandra East, Mumbai, E-mail Id:- anuragtandonca@gmail.com. The company has assigned the email ID- anuragtandonca@gmail.com or deepakkothari@panparag.com or citizenforum.tandon6@gmail.com on which anyone can report or send written complaint to the Vigilance Officer, Chairman & Managing Director and the Chairman of the Audit Committee. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice. The aforesaid policy has been posted by Company on its website under link "Investor Section".

CODE FOR PREVENTION OF INSIDER TRADING

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations 2015, the Company has adopted a Code for prevention of Insider Trading. The objective of the Code is to restrict an insider from dealing in the shares of the Company either directly or indirectly when in possession of unpublished price sensitive information (UPSI) and also to restrict communication of such UPSI. The Code is applicable to the Directors and Designated Employees/Persons associated with the Company. The Code enumerates the procedure to be followed for dealing in the shares of the Company and periodic disclosures to be made. It also restricts the insiders from dealing in the Company's shares during the period when the "Trading Window" is announced closed. The Company Secretary has been designated as the Compliance Officer. As required by Regulation 8 of the aforesaid regulations, Company has formulated the Code of Practices and Procedures for fair disclosure of unpublished price sensitive information. The aforesaid code has been posted by the Company on its website under the link "Investors Section".

SUBSIDIARY COMPANIES

The Company has Four non-listed Indian Subsidiaries and Two non-listed Foreign Subsidiaries. In terms of Regulation 16(C) of The SEBI (Listing Obligation & Disclosure Requirement) Regulations, 2015, KPL Exports Ltd., one of these Subsidiary is a "material subsidiary", whose income or networth exceeds 10% of the consolidated income or networth respectively, of the Listed Holding Company and its Subsidiaries, in the immediately preceding Accounting Year.

The Audit Committee reviews the financial statements and in particular, the investments made by the unlisted subsidiary companies. The summaries of minutes of the Board Meetings of the Subsidiary Companies are circulated to the Board of the Company alongwith agenda papers and the minutes are tabled at the Board Meeting.

The Company has prepared a Policy for determining a Material Subsidiary Company. The aforesaid policy can be viewed on the website of the Company i.e. <http://www.kothariproducs.in> under the link "Investors Section".

GENERAL BODY MEETINGS

Venue, Date & Time Where Last 3 AGMs were Held

Meeting	Date	Time	Venue
34 th AGM	25 th September, 2018	11:30 A.M.	Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave-3, Kanpur
33 rd AGM	22 nd September, 2017	11:30 A.M.	Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave-3, Kanpur
32 nd AGM	23 rd September, 2016	11:30 A.M.	Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave-3, Kanpur

DETAILS OF SPECIAL RESOLUTION(S) PASSED IN THE PREVIOUS 3 ANNUAL GENERAL MEETINGS:-

Annual General Meeting	No. of Special Resolutions
34 th	NIL
33 rd	NIL
32 nd	4

At the 34th Annual General Meeting held on September 25th, 2018, No Special Resolution was passed.

At 33rd Annual General Meeting held on 22nd September, 2017, No Special resolution was passed. At the 32nd Annual General Meeting held on September 23rd, 2016, Four Special Resolutions were passed relating to the re-appointment of Sri Deepak Kothari as Chairman & Managing Director, Sri Mitesh Kothari as an Executive Director, Increase in the limits of mortgages & charges and re-classification of Smt. Sadhna Kothari from the Promoter's Group to the Public Group. The resolutions were put to vote and passed with requisite majority.

DETAILS OF RESOLUTIONS PASSED THROUGH POSTAL BALLOT

During the year under review no resolution was passed through Postal Ballot.

None of the items transacted at the last Annual General Meeting held on 25th September, 2018 were required to be passed by Postal Ballot nor any resolution requiring a Postal Ballot is being proposed at the ensuing Annual General Meeting.

EXTRA ORDINARY GENERAL MEETING

During the year under review no Extra Ordinary General Meeting of the Company was held.

DISCLOSURES

- During the financial year 2018-19, the company had no materially significant related party transactions that may have potential conflict with the interests of the company at large.
- The Company has formulated a policy on Materiality of Related Party Transaction & Policy for determining material subsidiaries, the said policies are available on the website of the Company i.e. <http://www.kothariproductions.in> under the link "Investor's Section".
- There has neither been any non-compliances nor penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.
- The Company has framed Whistle Blower Policy and the details of the same are available on the Company's website, and no person has been denied access to the Audit Committee.
- No accounting treatment has been done which is different from the prescribed Indian Accounting Standards.
- To promote ethical conduct and maintain high standards in carrying out business transactions of the Company, a Code of Conduct has been laid down for procedures to be followed by the Board Members and the Senior Management Employees. This Code is also posted on the Company's website under the link "Investor's Section".
- The Company has framed familiarization programmes and the same are imparted to Independent Directors. The aforesaid programmes are placed on website of the Company i.e. <http://www.kothariproductions.in> under the link "Investor's Section".
- The Company has inherent risks in its business activities and to manage these risks the Company has formulated a Risk Management Policy which is posted on the Company's website under the link "Investor's Section".
- The Company has complied with all mandatory requirements specified in Regulations 17 to 27 and Regulation 46 of the SEBI (LODR) Regulations, 2015, as far as applicable to the Company.
- The Company has complied with all the requirements of the Corporate Governance Report of Sub-Paras (2) to (10) of Para C to Schedule V of The SEBI (LODR) Regulations, 2015.
- The Company has obtained the certificate from M/s Adesh Tandon & Associates, Company Secretary in Practice, certifying that none of the Directors on the Board of the Company have been debarred or disqualified

from being appointed or continuing as Directors of the Company by the SEBI/MCA or any such authority and the said certificate forms part of the this Report as “ANNEXURE 1”.

- Details of fees paid to Statutory Auditors by the listed entities and its subsidiaries – ₹ 2292851/-

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- i) number of complaints filed during the financial year: NIL
- ii) number of complaints disposed of during the financial year: NIL
- iii) number of complaints pending as on end of the financial year: NIL

PECUNIARY RELATIONSHIP AND TRANSACTIONS OF NON-EXECUTIVE DIRECTORS WITH THE COMPANY

The company only pays sitting fees to Non-Executive Directors as stated above and they do not have any other pecuniary relationship with the Company.

MEANS OF COMMUNICATION

i.	Quarterly, Half yearly & Annual results are normally Published in following newspapers.	Business Standard (All Editions) and Hindustan, Kanpur Edition
ii.	Any website, where displayed	Annual & Quarterly Financial Results are displayed on Company's website i.e. http://www.kothariproducts.in
iii.	Whether it also displays official News Releases and presentations made to Institutional investors/ analysts.	Yes, In addition to Audited & Quarterly Financial Results, Details regarding Board of Director(s), businesses etc. of the Company and its subsidiaries and any changes therein are displayed.
iv	Whether Management Discussion and Analysis Report is a part of Annual Report	Yes

RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a qualified Practicing Company Secretary carries out share capital audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and report thereon is submitted to the stock exchanges.

DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF NON-MANDATORY REQUIREMENTS

- The Company has complied with all mandatory requirements of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended till date as on 31st March, 2019.
- Adoption of non-mandatory requirements as at 31st March, 2019:-

a) Board of Directors

The Company has an Executive Chairman and he occupies an office with all the necessary infrastructure and assistance made available to enable him discharge his responsibilities effectively.

b) Shareholders Rights

As the Quarterly and Half Yearly Financial Results are published in the newspapers as well as displayed on the Company's Website, hence the results are not sent to household of each of the shareholders. The complete Annual report is sent to each and every shareholder of the Company.

c) Audit Qualifications

The Auditors have issued an unqualified opinion for the year ended 31st March, 2019.

d) Reporting of Internal Auditor

The Internal Auditor of the Company reports directly to the Audit Committee of the Company.

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING

[in pursuance of Regulation 36 (3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015]

Name of Director	Sri. Mitesh Kothari	Dr. Avinash Gupta	Sri Vikas Chaturvedi	Sri Pramod Kumar Tandon
Date of Birth	26.08.1976	26.05.1950	05.07.1963	05.05.1940
Date of Appointment	23.09.2016	19.09.2014	19.09.2014	19.09.2014
Qualification	MBA	Doctor	B.Sc	B.A., LL.B. & M.S.W.
Expertise in Specific Functional Areas	He has a rich business experience in almost all functional areas of the Company.	He has a rich business experience.	He has a rich business experience.	He has a rich business experience.
Directorships Held in other Companies*	1. Adyashakti Realtors Limited 2. KPL Exports Limited 3. MK Web-Tech Private Limited 4. Pan Parag India Limited 5. Sattva Realtors Limited 6. Savitrimata Realtors Private Limited 7. Sukhdham Constructions and Developers Limited	1. Pan Parag India Limited 2. MK Web-Tech Private Limited	NIL	1. Chaturbhuj Finance Limited 2. Pan Parag India Limited 3. KPL Exports Limited 4. Sukhdham Constructions and Developers Limited 5. MK Web-Tech Private Limited.
Committee Positions held in Other Company #	NIL	NIL	NIL	Member in Audit Committee of KPL Exports Limited
Shareholding in the Company	609570 Shares	-	-	2250 Shares

*The no. of other Directorships held by Directors as mentioned above, do not include Directorships held in Private Limited Companies which are neither subsidiaries nor holding Companies of a Public Company.

#In accordance with SEBI(Listing Obligations & Disclosure Requirement) Regulations, 2015, Memberships/ Chairmanships of only the Audit Committees and Shareholders'/Investors' Grievance Committees in all public limited companies (excluding Kothari Products Limited) have been considered.

GENERAL SHAREOWNER INFORMATION

ANNUAL GENERAL MEETING

- **DATE** : 23rd September, 2019.
- **TIME** : 11:30 A.M.
- **VENUE** : Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave-3, Kanpur

FINANCIAL CALENDER

(1st April, 2019 to 31st March, 2020)

Results for the first quarter ending 30.06.2019	On or before 14th August, 2019
Results for the second quarter & half-year ending 30.09.2019	On or before 14th November, 2019
Results for the third quarter ending 31.12.2019	On or before 14th February, 2020
Results for the fourth quarter & year ending 31.03.2020	On or before 30th May, 2020

- Dates of Book Closure : 16th September, 2019 to 23rd September, 2019 (both days inclusive)
- Dividend Payment Date: within 30 days of the Annual General Meeting.
- Listing on Stock Exchanges and Stock Code:

The shares of the Company are listed on Bombay Stock Exchange Ltd., Mumbai situated at Phiroze Jeejeebhoy Towers 25th Floor, Dalal Street MUMBAI - 400 001 & National Stock Exchange of India Ltd., Situated at Exchange Plaza 5th Floor Plot No.C/1 G Block Bandra Kurla Complex Bandra (E) MUMBAI - 400 051 Mumbai. Stock Code : 530299 on Bombay Stock Exchange, Kothari Pro-Series-EQ. : National Stock Exchange of India Ltd.

The Company had paid Annual Listing Fees for the Financial year 2018-19 to both the aforesaid Stock Exchanges

MARKET PRICE DATA: HIGH & LOW DURING THE LAST FINANCIAL YEAR (NSE)

MONTH	HIGH (Amount in ₹)	LOW (Amount in ₹)
APRIL 2018	170.90	148.50
MAY 2018	157.75	137.35
JUNE 2018	142.95	120.75
JULY 2018	130.75	116.50
AUGUST 2018	123.35	112.5
SEPTEMBER 2018	119.5	95.2
OCTOBER 2018	131.45	86
NOVEMBER 2018	109.4	95
DECEMBER 2018	108.95	89.6
JANUARY 2019	106.65	88.05
FEBRUARY 2019	95.35	75
MARCH 2019	96.7	80.1

PERFORMANCE IN COMPARISON TO BSE SENSEX

The shares of the Company are not considered by the Stock Exchanges in their index fluctuations.

REGISTRAR AND TRANSFER AGENT

The Company has appointed following Registrar & Transfer Agent for physical & demat work both, from 1st May, 2007. All shareowners may contact the Registrar and Transfer Agent at the following address:-

Alankit Assignments Ltd.

(Unit: Kothari Products Ltd.)

“Alankit Heights”

1E/13 Jhandewalan Extension

New Delhi – 110 055

Telephone No. (011) 23541234 & 42541234

Fax Nos. (011) 41543474

E-mail : rta@alankit.com

Website : www.alankit.com

SHARE TRANSFER SYSTEM:

A Committee of Directors – Stakeholders Relationship Committee is constituted to approve, inter-alia the transfer and transmission of shares, issue of duplicate share certificates and allied matters.

The Company has appointed Alankit Assignments Ltd., as its Registrar and Share Transfer Agent. All share transfers and related operations are conducted by Alankit Assignments Ltd., which is registered with the SEBI.

The Company's Registrar Alankit Assignments Ltd., has adequate infrastructure to serve the shareholders and process the share transfers. In compliance with the Listing Agreement/Listing Regulations, every Six months the share processing system is audited by a Practicing Company Secretary and a certificate to that effect is issued.

Investor correspondence should be addressed to the Registrar and Share Transfer Agent of the Company, as per contact details as given at the end of the Report.

• DISTRIBUTION OF SHAREHOLDING

The Shareholding distribution of equity shares as on 31st March, 2019 is given below:

No. of Equity shares held	No. of Shareowners		No. of Shares held in		% of Equity Capital held in		Total Shareholding
	No. of Shareowners	% of Shareowners	Physical Form	Demat Form	Physical Form	Demat Form	Physical & Demat
1 – 500	7655	88.12	94344	945430	0.32	3.17	1039764
501 - 1000	518	5.96	13400	389755	0.04	1.31	403155
1001 - 5000	429	4.94	23100	909617	0.08	3.05	932717
5001 - 10000	44	0.51	21600	285748	0.07	0.96	307348
10001 - 20000	18	0.21	0	229882	0.00	0.77	229882
20001 - 30000	2	0.02	0	45582	0.00	0.15	45582
30001 - 40000	2	0.02	0	73751	0.00	0.25	73751
40001 - 50000	0	0.00	0	0	0.00	0.00	0
50001 - 100000	7	0.08	0	455669	0.00	1.53	455669
100001 - 500000	6	0.07	129150	1613353	0.43	5.40	1742503
500001 - Above	6	0.07	0	24613494	0.00	82.47	24613494
Total	8687	100	281584	29562281	0.94	99.06	29843865

DEMATERIALISATION OF SHARES AND LIQUIDITY

Nearly 99.06% of total Equity Share Capital is held in dematerialised form with NSDL and CDSL as on 31st March, 2019. ISIN No. is INE823A01017 of NSDL & CDSL. The Company's shares are regularly traded at Bombay Stock Exchange Ltd. & National Stock Exchange of India Ltd., Mumbai.

SHAREHOLDING PATTERN OF THE COMPANY AS ON 31ST MARCH, 2019:

Category	No. of shares held	% of holding
PROMOTERS & PROMOTER GROUP	22382405	75.00
INDIAN PUBLIC – INDIVIDUALS	2900317	09.72
INDIAN PUBLIC - CORPORATE BODIES	4355412	14.59
INDIAN PUBLIC – FINANCIAL INSTITUTIONS/ BANKS	75	0.00
Resident HUF	131238	0.44
Central Government/ State Government/POI	6716	0.02
Clearing Member	3326	0.01
NBFC REGISTERED WITH RBI	525	0.00
FOREIGN HOLDING:-		
(i) NRI(s)	62351	0.21
(ii) TRUST	1500	0.01
(iii) Foreign Portfolio Investor	-	-
TOTAL	29843865	100.00

PLANT LOCATIONS

Since the Company is engaged in the business of International Trade and Real Estate Activities and has no manufacturing activity hence it has no plants.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Since the Company is engaged in the Wholesale/International Trading business hence there is always an inherent commodity price risk and foreign exchange risk involved and for that the company always does proper hedging of the aforesaid risks.

LIST OF CREDIT RATINGS OBTAINED BY THE COMPANY

S. No	Date	Rating Agency	Instrument	Rating
1	06 th December, 2018	India Ratings & Research	Fund-based Working Capital Facilities	BBB-
			Non-Fund Based Working Capital Facilities	BBB-
			Proposed Non-Fund Based Facility	Provisional BBB-
2	27 th September, 2018	CARE Ratings	Long Term Bank Facilities	BBB-
			Short Term Bank Facilities	A3
3.	22 nd August, 2018	CARE Ratings	Long Term Bank Facilities	BBB-
			Short Term Bank Facilities	A3
4.	06 th July, 2018	India Ratings & Research	Fund-based Working Capital Facilities	BBB
			Non-Fund Based Working Capital Facilities	BBB
			Proposed Non-Fund Based Facility	Provisional BBB
5.	31 st May, 2018	CARE Ratings	Long Term Bank Facilities	BBB+
			Short Term Bank Facilities	A2

• ADDRESS FOR CORRESPONDENCE

- Shareowners having any queries regarding Dividend Warrants & Annual Reports should send their correspondence to :
The Share Department
KOTHARI PRODUCTS LTD.
“PAN PARAG HOUSE”
24/19, The Mall
KANPUR - 208 001
(U.P.)
PHONE NOS.- 0512-2312171-74
FAX NO. -0512-2312058
Email - rk Gupta@kothariproducts.in
- Physical Shareowners should send their requests for Share Transfers, Change of Address/Bank Details etc., if any, to our following Registrar & Share Transfer Agent :-
Alankit Assignments Ltd.
(Unit: Kothari Products Ltd.)
“Alankit Heights”
1E/13 Jhandewalan Extension
New Delhi – 110 055
Telephone Nos. (011) 23541234 & 42541234
Fax No. (011) 41543474
E-mail : rta@alankit.com
Website : www.alankit.com
- Shareowners holding shares in electronic mode should address all their correspondence relating to change of address, change of Bank details etc. to their respective Depository Participants.

ANNEXURE-1 TO CORPORATE GOVERNANCE REPORT

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Clause (10)(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]

To,

The Members,

Kothari Products Limited

Pan Parag House,
24/19, the Mall, Kanpur - 208001

We have examined the relevant registers, records and disclosures received from the Directors of Kothari Products Limited (hereinafter referred to as "the Company") having CIN: L16008UP1983PLC006254 and having its registered office at Pan Parag House, 24/19, the Mall, Kanpur - 208001, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Clause (10)(i) of Para C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

Our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to us by the Company & its Officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. N.	Name of Director	DIN	Latest Date of Appointment/Re-appointment at current designation
1.	Deepak Kothari	00088973	Appointed in AGM of 23-09-2019 w.e.f. 12-10-2016
2.	Mitesh Kothari	00089076	Appointed in AGM of 23-09-2019 w.e.f. 01-10-2016
3.	Pramod Kumar Tandon	00089344	19-09-2014
4.	Avinash Gupta	00089371	19-09-2014
5.	Vikas Chaturvedi	00089394	19-09-2014
6.	Poonam Acharya	07238892	25-09-2018

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For ADESH TANDON & ASSOCIATES
Company Secretaries

Adesh Tandon
Proprietor
FCS No. 2253
C.P. No. 1121

Place: Kanpur
Date: May 29, 2019

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Kothari Products Limited

We have examined the compliance of conditions of Corporate Governance by **Kothari Products Limited** ("the Company"), for the financial year ended on March 31, 2019 as per Regulations 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations").

MANAGEMENT'S RESPONSIBILITY

The compliance of conditions of Corporate Governance is the responsibility of the Management. The Management's responsibility includes the implementation of the Rules and Regulations and maintenance of the internal controls and procedures to comply with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

OUR RESPONSIBILITY

Our responsibility is limited to examining the procedure and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and explanations given to us and representation made by the Directors and the Management, we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V of the SEBI Listing Regulations, as applicable, during the financial year ended on March 31, 2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

RESTRICTIONS ON USE

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For ADESH TANDON & ASSOCIATES
Company Secretaries

Adesh Tandon
Proprietor
FCS No. 2253
C. P. No.1121

Place : Kanpur
Date : May 29, 2019

DECLARATION BY CHIEF EXECUTIVE OFFICER

I, Deepak Kothari, Chairman & Managing Director of Kothari Products Ltd. hereby declare that all the Board Members and Senior Managerial Personnel have affirmed, for the year ended 31st March, 2019, compliance with the code of conduct of the Company laid down for them.

PLACE : KANPUR
DATE : 29th May, 2019

Sd/-
(Deepak Kothari)
Chairman & Managing Director

CERTIFICATE BY C.E.O. AND C.F.O.

We, Deepak Kothari, Chairman & Managing Director and Anurag Tandon, Chief Financial Officer of Kothari Products Ltd., certify:-

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2019 and that to the best of our knowledge and belief;
 - these statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading and
 - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies and
4. That we have informed the auditors and the audit committee of :
 - i. significant changes in internal control over financial reporting during the year; if any.
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements, if any and
 - iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Kanpur
Date : 29th May, 2019

Sd/-
(Deepak Kothari)
Chairman & Managing Director

Sd/-
(Anurag Tandon)
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To
The Members of

KOTHARI PRODUCTS LIMITED
KANPUR

REPORT ON THE STANDALONE IND-AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying standalone Ind-AS financial statements of **Kothari Products Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement for the year ended, the statement of changes in equity for the year ended and a summary of the significant accounting policies and other explanatory information, (herein after referred to as "standalone Ind-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind-AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, and its profit including other comprehensive income, its cashflows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Ind AS Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the standalone Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone Ind AS financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone Ind AS financial statements.

Increase in Inter corporate deposits and utilization thereof-

The company's short term borrowings have increased by ₹ 399.63 crores during the year and there is no corresponding increase in the property, plant and equipment or other assets of the company or volume of trading activity of the company. This has also resulted in increased burden of finance costs on the company. The increase in loans was primarily by way of borrowings from persons/parties who are related entities in terms of Ind-AS 24. In view of the above, verification of the end use of the funds and compliances of reporting requirements in respect of the same involved extensive procedures and also judgements with respect to proper classification, terms and conditions of the loans etc.

How our audit addressed the key audit matter

For the matter referred to above, our procedures included, among others, verification of the funds flow and bank transactions of the company, type of relationship between the company and the lending party, the statutory records and filings done by the company with the Registrar of Companies and filings done by the lending parties, the loan agreements executed between the parties etc.

EMPHASIS OF MATTER

Reference is invited towards Note No.21 describing the fact that an amount of ₹ 874.42 lakhs, being demand of Income Tax, recovered by the Department, though is subject to Appeal and is in the nature of a deposit under protest, has not been carried as

a receivable/recoverable balance in the Financial Statements. The Management has charged the said amount to its Other Equity following the principle of conservatism. Our opinion is not modified in respect of the said matter.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

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 standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS 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 IND AS FINANCIAL STATEMENTS

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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies. (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Ind AS 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.

Those charged with governance are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS 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 SAs 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 standalone Ind AS financial statements.

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

- A. Identify and assess the risks of material misstatement of the standalone Ind AS 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.
- B. 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 Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- C. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- D. 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.

- E. Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the **Companies (Auditor's Report) Order, 2016** ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note - to the financial statements;
 - ii. The Company does not have any long term contracts requiring a provision for any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 08th Nov. 2016 to 30th Dec. 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31st March 2019.

For RAJIV MEHROTRA & ASSOCIATES
Chartered Accountants,
Firm Registration No. 002253C

ANJANI KHETERPAL
PARTNER
M.No.401701

Place: Kanpur
Date : 29th May, 2019

ANNEXURE “A” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in Para 1 under ‘Report on Other legal and Regulatory Requirements’ section of our report of even date)

Re: Kothari Products Ltd. we report that:

- (i) a. The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The company has a program of physical verification of fixed assets, so as to cover all the items over a period of three years. In accordance with this programme, property, plant and equipment were verified during the year and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and the records examined by us and based on the registered sale deeds/transfer deeds etc. evidencing title in immovable properties which are freehold, we report that the immovable properties capitalized in the books of account of the company are held in its name.
- (ii) a. According to the information, explanations and documents produced for our verification, we report that the inventory of traded goods and immovable properties have been physically verified by the management at reasonable intervals during the year at various locations and no material discrepancies were noticed on such physical verification.
- b. The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company has maintained proper records of inventory. According to the information and explanations given to us and on the basis of our examination of records, we are of the opinion that no material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of accounts.
- (iii) a. That as regards the loans to entities covered in the Register maintained u/s 189 of the Companies Act, 2013, it is reported that:
 - The company has granted unsecured loan to its Subsidiary and associates during the year under consideration.
 - The total outstanding balance as at the close of the year in respect of such advances was 13293.75 Lacs.
 - i. In our opinion and according to the information and explanations given to us, the terms and conditions of the grant of such loans are not prejudicial to the company's interest.
 - ii. That as per the information and explanations given to us, there is no repayment schedule in respect of the short term advance given to the subsidiary and the same is repayable on demand. That, as regards the loans given to the Associate concerns, as per the information and explanations given to us and the terms of loans/advances made by the company, no advances are due for payment within one year from the close of the year.
 - iii. That as per the information and explanations given to us and terms of the loans given by the company, there are no amounts overdue on account of interest/principal.
- (iv) In Our opinion and according to the information and explanations given us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any public deposits. No Order has been passed by the Company Law Board/National Company Law Tribunal or Reserve Bank of India.
- (vi) In our opinion and according to the information and explanations given to us, the company is not liable for maintenance of cost records u/s 148 of the Companies Act, 2013.
- (vii) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, income tax, sales tax, wealth tax, service tax, & customs duty and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, customs duty, VAT, cess and other material statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.
- (b) As per the information and explanations given to us and on the basis of the verification of the records of the company, the statutory dues which have not been deposited on account of disputes are as under:

Sl. No.	Name of the Statute	Nature of Dues	Amount in ₹ Lacs	Pending amount	Period to which the amount relates	Forum where dispute is pending
1.	Income Tax Act	Income Tax	47.16	-	A Y 2013-14	CIT(Appeal)
2.	Income Tax Act	Income Tax	1.68	1.68	A Y 2013-14	CPC, Bangalore
3.	Income Tax Act	IncomeTax	874.01	80.26	A Y 2016-17	CIT(Appeal)

Sl. No.	Name of the Statue	Nature of Dues	Amount in ₹ Lacs	Pending amount	Period to which the amount relates	Forum where dispute is pending
4.	Income Tax Act	IncomeTax	16.30	-	A Y 2010-11	Income Tax Appellate Tribunal
5.	Income Tax Act	IncomeTax	67.02	67.02	A Y 2010-11	CPC, Bangalore
6.	Income Tax Act	Income Tax	30.04	-	A Y 2009-10	Income Tax Appellate Tribunal
7.	Income Tax Act	Income Tax	97.43	97.43	A Y 2009-10	Jurisdictional AO
8.	Income Tax Act	Income Tax	2.68	2.68	A Y 2009-10	Jurisdictional AO
9.	Income Tax Act	Income Tax	206.72	-	Block Period	High Court
10.	Income Tax Act	Income Tax	65.12	-	A Y 2001-02	High Court
11.	Income Tax Act	Income Tax	117.93	-	A Y 2001-02	High Court
12.	Income Tax Act	Income Tax	26.10	-	A Y 2008-09	High Court
13.	Income Tax Act	Income Tax	19.12	19.12	A Y 2011-12	Jurisdictional AO
14.	Income Tax Act	Penalty	5.20	5.20	A Y 2012-13	Jurisdictional AO
15.	Income Tax Act	Penalty	6.94	6.94	A Y 2014-15	Jurisdictional AO
16.	Income Tax Act	Income Tax	0.14	0.14	A Y 2014-15	CPC Bangalore
17.	Income Tax Act	Income Tax	22.14	22.14	A Y 2015-16	Jurisdictional AO
18.	Income Tax Act	Income Tax	3.36	3.36	A Y 2017-18	CPC Bangalore
19.	Income Tax Act	TDS, Interest and penalty	4.46	4.46	Several years upto AY 2016-17	TDS Centralized processing center
20.	U.P. Sales Tax Act*	Luxury Tax & Sales Tax	17.97	17.97	1994-1995	Deputy Commissioner, Commercial Tax
21.	U.P. Sales Tax Act*	Trade Tax	25.66	25.66	2007-2008	Tribunal, Commercial Tax
22.	U.P. Sales Tax Act*	Trade Tax	3.52	3.52	2007-2008	Tribunal, Commercial Tax
23.	Tamilnadu VAT ACT*	Sales Tax	272.00	272.00	2000-2001	Supreme Court
25.	Central Excise Act	Prosecution of Excise Act	Amount unascertainable	-	-	CJM Court
26.	C.R.P.C.	U/S 482 CR.P.C.	Amount unascertainable	-	-	High Court
27.	P.F.A. Act*	PFA Case	Amount unascertainable	-	-	Judicial Magistrate
28.	M.V. Act	Claim Cases	Amount unascertainable	-	-	MACT

- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution, Banks or Government. There are no debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has applied term loans for the purposes for which the same were availed. The company is a listed company. However, no funds have been raised through a public offering in the year under consideration.
- (x) According to the information and explanations given to us, no 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) In our opinion and according to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 r.w. Schedule V of the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence the reporting under clause (xii) of CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the company has complied with Sections 177 and Section 188 of the Companies Act, 2013, where applicable, for all transactions with related parties and the details of

related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

- (xiv) During the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with its directors or directors of its subsidiary or associate companies or persons connected with them during the year under consideration and hence provisions of section 192 of Companies Act, 2013 are not applicable.
- (xvi) In our opinion the company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For RAJIV MEHROTRA & ASSOCIATES
Chartered Accountants,
Firm Registration No. 002253C

ANJANI KHETERPAL
PARTNER
M.No.401701

Place: Kanpur
Date : 29th May, 2019

ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

(Referred to in Para 2(f) under ‘Report on Other legal and Regulatory Requirements’ section of our report of even date REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(I) OF THE COMPANIES ACT, 2013 (“THE ACT”))

We have audited the internal financial controls with reference to financial statements of Kothari Products Limited (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Opinion

In our opinion, to the best of our information, and according to the explanations given to us, the company has, in all material aspects, an adequate internal financial controls’ system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31st 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in Guidance Note of Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal financial controls with reference to financial statements (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

For RAJIV MEHROTRA & ASSOCIATES
Chartered Accountants,
Firm Registration No. 002253C

ANJANI KHETERPAL
PARTNER
M.No.401701

Place: Kanpur
Date : 29th May, 2019

BALANCE SHEET AS AT 31st MARCH, 2019

	NOTE	As at 31.03.2019	(Amount in ₹ Lacs) As at 31.03.2018
I ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	1201	1277
Capital Work-in-Progress	3	146	0
Investment Property	4	3090	2616
Intangible Assets	5	2	0
Financial Assets			
Investments	6	23254	36530
Loans and Advances	7	6195	6032
Bank Deposits	8	2872	21823
Other Financial Assets	9	0	13
Deferred Tax Assets	10	1538	780
Current Assets			
Inventories	11	3334	4308
Financial assets			
Investments	12	3135	20427
Trade Receivables	13	131100	112570
Cash and Cash Equivalents	14	4293	1119
Bank Balances other than above	15	3903	7774
Loans and Advances	16	7328	12869
Bank Deposits	17	2682	29887
Other Financial Assets	18	3593	2177
Current Tax Assets (Net)	19	1531	2134
TOTAL ASSETS		199197	262336
II EQUITY & LIABILITIES			
Equity			
Equity Share capital	20	2984	2984
Other Equity	21	84328	83707
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Long Term Borrowings	22	6	80
Other Non Current Liabilities	23	154	162
Current Liabilities			
Financial Liabilities			
Borrowings	24	72804	32841
Trade Payables:-	25		
(a) Total Outstanding Dues of Micro and Small Enterprises	25.1	0	0
(b) Total Outstanding Dues of Creditors other than Micro and Small Enterprises	25.2	38580	141805
Other Current Liabilities	26	341	757
TOTAL EQUITY & LIABILITY		199197	262336
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.	2-47		

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

STATEMENT OF PROFIT & LOSS FOR YEAR ENDED 31st MARCH, 2019

		(Amount in ₹ Lacs)	
		Year Ended 31.03.2019	Year Ended 31.03.2018
I Revenue from Operations			
Revenue from Operations	27	326019	422542
Other Income	28	3612	1695
Total Income		329631	424237
II Expenses			
Purchase of Stock-in-Trade	29	317313	407980
Changes in Inventories	30	974	240
Employee Benefit Expense	31	288	315
Depreciation and Amortisation Expense	2,3,4,5	223	200
Other Expenses	32	5825	7830
Finance Costs	33	3331	2622
Total Expenses		327954	419187
III Profit/(Loss) before Exceptional Items and Tax		1677	5050
Exceptional items		0	0
IV Profit/(Loss) before Tax		1677	5050
Income Tax Expense			
Current Tax		364	1268
MAT Credit		-364	0
Deferred Tax		-394	-621
Income Tax for Previous Year (Net)		35	-11
V Profit/(Loss) for the period from Continuing Operations		2036	4414
VI Discontinued Operations			
Profit/ (Loss) from Discontinued Operations before Tax		0	0
Tax Expense of Discontinued Operations		0	0
VII Profit /(Loss) from Discontinued Operations		0	0
VIII PROFIT/(LOSS) FOR THE YEAR		2036	4414
IX Other Comprehensive Income			
A. Items that may be reclassified to profit or loss		0	0
Income Tax relating to these Items		0	0
B. Items that will not be reclassified to profit or loss		0	0
Income Tax relating to these Items		0	0
Other Comprehensive Income for the Year (Net of Tax)		0	0
X TOTAL COMPREHENSIVE INCOME FOR THE YEAR		2036	4414
XI Earnings per Share (for continuing operations)			
Basic EPS		6.82	14.79
Diluted EPS		6.82	14.79
XII Earnings per Share (for discontinued operations)			
Basic EPS		0.00	0.00
Diluted EPS		0.00	0.00
XIII Earnings per Share (for discontinued & continuing operations)			
Basic EPS		6.82	14.79
Diluted EPS		6.82	14.79
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.	2-47		

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
 Firm Regn NO. 002253C
 CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
 Partner
 Membership No. 401701

(DEEPAK KOTHARI)
 Chairman & Managing Director

(MITESH KOTHARI)
 Executive Director

Place : Kanpur
 Date : 29th May, 2019

(RAJ KUMAR GUPTA)
 CS & Compliance Officer

(ANURAG TANDON)
 Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

PARTICULARS	(Amount in ₹ Lacs)
AS at 01.04.2017	2984
Issue of Equity Share Capital	0
AS at 31.03.2018	2984
Issue of Equity Share Capital	0
AS at 31.03.2019	2984

B. OTHER EQUITY

PARTICULARS	Reserves		Items of OCI	Total
	General Reserve	Retained Earnings		
AS at 01.04.2017	35243	44194	0	79437
Profit for the year	0	4414	0	4414
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income for the year	0	4414	0	4414
Addition/ (Deletion) during the year				
Transfer to General Reserve	441	-441	0	0
Other Addition/ (Deletion)	0	-144	0	-144
Dividend Paid on Equity Share and tax thereon	0	0	0	0
AS at 31.03.2018	35684	48023	0	83707
Profit for the year	0	2036	0	2036
Other Comprehensive Income	0	0	0	0
Total Comprehensive Income for the year	0	2036	0	2036
Addition/ (Deletion) during the year				
Transfer to General Reserve	204	-204	0	0
Other Addition/ (Deletion)	0	-875	0	-875
Dividend Paid on Equity Share and tax thereon	0	-540	0	-540
AS at 31.03.2019	35888	48440	0	84328

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax	1677	5050
Adjustments for		
- Depreciation	223	200
- Finance Cost	3331	2622
- Balances Written off	15	1763
- Prior Period Expenses	240	-144
- Net Unrealised Forex Gain (-) / Loss	3137	51
- Fair Value Adjustment relating to Investment in Mutual Funds and Listed Securities	3296	-1192
- Finance Income on Redeemable Debentures	814	79
- Lease Rent- (Impact on discounting of Security Deposits)	-7	-7
- Profit (-) / Loss on Sale of Property, Plant and Equipment	-1	1
- Net Profit on Sale of Investments	-7516	-553
- Interest Income	-313	-638
- Dividend Income	-27	-44
Operating Profit before Working Capital Changes	4869	2138
Adjustments for:		
- Trade Receivables & Others	-25150	-2453
- Inventories	467	240
- Trade Payables & Others	-101591	-53489
Cash Generated from Operations	-126274	-55702
Net Income Tax Paid	-121405	-48514
Net Cash Flow from Operating Activities	-912	-2612
	-122317	-51126
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
- Purchase of Property, Plant and Equipment	-117	-979
- Purchase of Intangible Asset	-4	0
- Capital Work in Progress	-146	0
- Sale of Property, Plant and Equipment	4	73
- Purchase of Investments- Others	-23873	-10244
- Purchase of Investments- Subsidiary	0	-5360
- Sale of Investments-Others	44375	5480
- Sale of Investments-Subsidiary Companies	3731	0
- Sale of Investments-Associate Companies	9740	1000
- Loans to Subsidiary Companies (Net)	5405	-8374
- Loans to Associate Companies (Net)	-14	-194
- Loans to Others	-8	-6
- Interest Received	313	638
- Investment in Bank Deposits	50031	47922
- Dividend Received	27	44
Net Cash flow from/(used in) Investing Activities	89464	30000

PARTICULARS	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
- Secured Loans from Banks	-17574	6627
- Unsecured Loan	57467	15267
- Dividend Paid	-448	-896
- Tax on Dividend Paid	-92	-182
- Finance Cost	-3327	-2619
Net Cash flow from/(used in) Financing Activities	36027	18197
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	3174	-2929
Cash & Cash Equivalents - Opening Balance	1119	4048
Cash & Cash Equivalents - Closing Balance	4293	1119

Note:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, Statement of Cash Flows.
- The figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with those of the current year.
- Components of cash and cash equivalents :-

PARTICULARS	As at 31.03.2019	As at 31.03.2018
(a) Cash in hand and in transit	9	6
(b) Balances with Scheduled Banks		
(i) In Current Accounts & E E F C Accounts	4284	1113
TOTAL	4293	1119

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

Notes to Financial Statements

Note:1 SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

A. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provisions of the Act. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that is measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

B. Current vs. Non Current classification:

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

(a) An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

(b) A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its general operating cycle.

C. USE OF ESTIMATES :

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period. Differences between actual results and estimates are recognised in the year in which the results are known or materialise

1.2 PROPERTY, PLANT AND EQUIPMENT (PPE)

- (i) Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- (ii) The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes, if any), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- (iii) Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- (iv) An item of Property, plant and equipment and any significant part initially recognised separately as part of Property, plant and equipment is de-recognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets is included in the Statement of Profit and Loss.
- (v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

- (vi) Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The asset wise details of useful lives considered for purposes of calculating depreciation are as under:

Building	- 30 years	Vehicles	- 8 years
Furniture	- 10 years	Computers	- 6 years
Office equipment	- 5 years	Computer Software	- 2 years

1.3 INVESTMENT PROPERTY

Investment Property is property (land or a building – or part of a building – or both) held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, used in production or supply of goods or services or for administrative purposes. Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and carrying amount of the Investment Property shall be recognized in Statement of Profit and Loss.

Depreciation on Investment Property is provided on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life considered in respect of Building is 60 years

1.4 LEASE ACCOUNTING :

- All the lease agreements of the Company are in respect of operating lease of the premises (residential and business premises etc.).
- The aggregate lease rentals payable are charged to the Statement of Profit & Loss as Rent Expense.
- The cancellable lease agreements are usually renewable by mutual consent at mutually agreeable terms. Non-cancelable lease agreements for a specified period are renewable at the option of the lessee/licensee at mutually agreed term.
- The aggregate lease rentals receivable for the year is credited to the Statement of Profit & Loss as Rental Income .

1.5 INVENTORIES :

- Basis of Valuation: Inventories are stated at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.
- Method of Valuation- Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis.

The inventories have been physically taken by the management periodically.

1.6 INVESTMENTS :

Investments are stated at cost except those investments which are to be stated at fair value as per Ind AS. Accordingly:

- Investments in Equity/Preference capital of unlisted Subsidiaries and Associates are valued at cost. The company does not have any listed subsidiaries/associates
- Investments in unlisted Debt Instruments are valued at Amortised Cost. .
- Investments in listed equity instruments are valued at fair value, arrived at, on the basis of quotes available as at the end of the year.
- On disposal of an investment, the difference between its carrying amount and net disposal proceed is charged or credited to the Statement of Profit and Loss.

1.7 TRANSACTIONS IN FOREIGN CURRENCY :

(a) Initial recognition :

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

(b) Measurement of foreign currency items at the Balance Sheet date :

Foreign currency monetary items of the Company are reinstated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

(c) Forward Exchange Contracts :

In respect of the transactions covered by forward exchange contracts, the difference between the year end rates and the exchange rate at the date of contract is recognised in statement of profit and loss and the premium paid on forward contract is recognised over the life of the contract.

1.8 REVENUE RECOGNITION:

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of GST and are net of returns.

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

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income". Interest income earned in the course of the Trading Activity undertaken by the company is classified under 'operating income' since the underlying bank deposits are in-extricably linked with such trade and the interest income from such deposits are as much part of the margin from such trade.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in other operating income in the statement of profit or loss due to its operating nature.

1.9 EMPLOYEE RETIREMENT BENEFITS :

Short term employee benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to the Government administered Provident/Pension Fund. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through the provident fund scheme as and expense, when an employee renders related services.

Other long term employee benefits

The company has subscribed to a Group Gratuity Accumulation Policy from the Life Insurance Corporation of India, which is a defined benefit plan. The liabilities with respect to Gratuity Plan are determined by actuarial valuation by LIC. The annual premium, as determined, based on such valuation, is paid and charged to the Statement of Profit & Loss Account. The value of the accumulated contribution by the Company as at 31.03.2019 was 81 lacs which the adequately covers the estimated Gratuity Liability

The valuation method used by the LIC is Projected Unit credit method. Other actuarial assumptions for the policy are as under:-

1. Mortality Rate: LIC(2006-08) Ultimate
2. Withdrawal Rate: 1% to 3% depending on age
3. Discount Rate: 7.5% p.a.
4. Salary Escalation: 8%

1.10 PROVISIONS FOR TAXATION:

Current Taxes:

- (i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.
- (ii) Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

1.11 PROVISIONS & CONTINGENCIES:

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12 EARNING PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share consolidation, without a corresponding change in resources, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares, if any.

The company has not issued any potentially dilutive equity shares.

1.13 PROPOSED DIVIDEND:

Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared by the Company, usually when approved by the shareholders in a general meeting, or paid.

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders. A corresponding amount is recognised directly in equity.

The annual dividend proposed, if any, by the Directors forms part of the Directors' Report

1.14 BORROWING COSTS:

Borrowing Costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised. Other borrowing costs are expensed out. The Company capitalised borrowing cost to the tune of ₹ 17 lacs during the year. The rate of capitalisation was 1.010%.

1.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

1.16 OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.17 Several debit and credit balances are subject to confirmation by parties.

1.18 GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES:

Government Grants are recognised at their realizable value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The company is an exporter and receives grants in the form of Duty Drawbacks, Import entitlement etc. The same are recognized, subject to the policy stated in para 1 above, in the year in which the export sales are made and the company is eligible for the grants/incentive and when there is no uncertainty about its realisation.

Note: 2

Property, Plant and Equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2019 are as follows:

PARTICULARS	Land	Building (Office)	Motor Cars	Computers	Office Equipment	Furniture & Fixture	Temporary Structure	Building (Godown)	TOTAL
Gross carrying value as of April 1, 2018	11	262	1359	34	150	86	77	297	2276
Additions	-	-	105	1	2	1	-	-	109
Deletions/Transfer	-	-	7	-	-	-	-	-	7
Gross carrying value as of March 31, 2019	11	262	1457	35	152	87	77	297	2378
Accumulated Depreciation as of April 1, 2018	-	170	533	26	130	38	77	25	999
Depreciation for the year	-	9	155	1	4	7	-	5	181
Deduction / adjustments during the period	-	-	3	-	-	-	-	-	3
Accumulated Depreciation as of March 31, 2019	-	179	685	27	134	45	77	30	1177
Carrying value as of March 31, 2019	11	83	772	8	18	42	-	267	1201
Carrying value as of March 31, 2018	11	92	826	8	20	48	-	272	1277

Note : 3
Capital Work-in-Progress

PARTICULARS	(Amount in ₹ Lacs)
Gross carrying value as of April 1, 2018	-
Additions	146
Deletions/Transfer	-
Gross carrying value as of March 31, 2019	146
Accumulated Depreciation as of April 1, 2018	-
Depreciation for the year	-
Deduction / adjustments during the period	-
Accumulated Depreciation as of March 31, 2019	-
Carrying value as of March 31, 2019	146
Carrying value as of March 31, 2018	-

Capital Work-in-progress is amount attributable to items of property, plant & equipment which are yet to be fully commissioned and be available for intended use.

The Company has a Capital Work-in-progress to the tune of ₹ 146 lacs in respect of a 290KV Solar Power Plant being installed in Noida. The plant is under commissioning stage and is expected to be put to use by the next financial year.

Note : 4
Investment Property

PARTICULARS	AS AT 31.03.2019	(Amount in ₹ Lacs) AS AT 31.03.2018
Gross Amount		
Opening		
Depreciable Investment Property	1970	1499
Other Investment Property#	762	762
Additions (Depreciable)	514	482
Deletion/Transfer (Depreciable)	-	11
Closing	3246	2732
Accumulated Depreciation		
Opening	116	86
For the year	40	30
Closing	156	116
Net Carrying Amount	3090	2616

Includes a leasehold land allotted by New Okhla Industrial Development Authority, Ghaziabad for 99 years as per lease Deed dated 22nd February, 1985.

The Amounts recognised in the Statement of Profit & Loss in respect of Investment Properties are as under:

PARTICULARS	Year Ended 31.03.2019	Year Ended 31.03.2018
Rental income from investment property	626	621
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period	12	28
Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	0	2

Note : 5
Intangible Assets

PARTICULARS	Computer Software	TOTAL
Gross carrying value as of April 1, 2018	-	-
Additions	4	4
Deletions/Transfer	-	-
Gross carrying value as of March 31, 2019	4	4
Accumulated Depreciation as of April 1, 2018	-	-
Depreciation for the year	2	2
Deduction / adjustments during the period	-	-
Accumulated Depreciation as of March 31, 2019	2	2
Carrying value as of March 31, 2019	2	2
Carrying value as of March 31, 2018	-	-

NOTE : 6 Investments (Non-Current)

PARTICULARS	QUANTITY (NOS.)		(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
A. Quoted - Non Trade (At Market Value)				
I. Equity Shares, Each, Fully Paid-up				
Agro Tech Foods Ltd. of ₹ 10/-	0	12000	0	76
Amararaja Batteries Ltd of ₹ 1/-	5000	5000	36	40
Bajaj Consumer Care Ltd. of ₹ 1/-	0	20000	0	95
Bajaj Finance Limited of ₹ 2/-	0	6000	0	106
Bank of Baroda of ₹ 2/-	30000	30000	39	43
Bharat Heavy Electricals Ltd of ₹ 2/-	30000	30000	22	24
Central Depository Services (India) Ltd of ₹10/-	10000	10000	24	28
Cummins India Ltd of ₹ 2/-	0	20000	0	140
Dhanuka Agritech Ltd of ₹ 2/-	3566	3566	14	20
GE Power India Ltd of ₹ 10/-	0	38005	0	353
IDFC Limited of ₹ 10/-	144500	144500	67	70
IDFC First Bank Ltd of ₹ 10/-	94500	94500	52	45
Jyothy Laboratories Ltd of ₹ 1/-	0	12000	0	47
Larsen & Toubro Ltd. of ₹ 2/-	1000	3000	14	39
Marico Ltd of ₹ 1/-	0	80000	0	261
Kaya Ltd. of ₹ 10/-	0	1210	0	13
Motherson Sumi Systems Ltd of ₹ 1/-	2250	4500	3	14
NBCC (India) Ltd of ₹ 1/-	42000	21000	28	40
NRB Bearings Ltd of ₹ 2/-	0	10000	0	15
NMDC Ltd of ₹ 1/-	50000	50000	52	59
Oil and Natural Gas Corporation Ltd of ₹ 5/-	40000	40000	64	71
Power Finance Corporation Ltd of ₹ 10/-	40000	40000	49	34
PI Industries Ltd of ₹ 1/-	0	5000	0	44
Punjab National Bank of ₹ 2/-	30000	30000	29	29
Power Grid Corporation of India Ltd of ₹ 10/-	25000	25000	50	49
Rallis India Ltd of ₹ 1/-	0	30000	0	71
Reliance Industries Ltd. of ₹ 10/-	25500	51000	348	450
Stampede Capital Limited of ₹ 1/-	600000	600000	10	51
Stampede Capital Ltd.-DVR of ₹ 1/-	150000	150000	1	8
State Bank of India of ₹ 1/-	0	150	0	0
Sun Pharmaceuticals Industries Ltd of ₹ 1/-	5000	5000	24	25
Dhanlaxmi Bank Limited of ₹ 10/-	215000	215000	37	46
Tata Chemicals Ltd of ₹ 10/-	6000	6000	35	41
Tata Motors Ltd of ₹ 2/-	15000	15000	26	49
Triveni Turbine Ltd. of ₹ 1/-	0	12500	0	13
UPL Limited of ₹ 2/-	0	5000	0	36
Uflex Ltd. of ₹ 10/-	0	492056	0	1672
Whirlpool of India Ltd. of ₹ 10/-	0	35000	0	530
Aggregate Market Value		TOTAL (A)	1024	4747

PARTICULARS	QUANTITY (NOS.)		(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
B. Unquoted				
I. Non-trade (At Cost)				
(a) Capital Contribution in India Growth Fund			120	223
(b) India Realty Excellence Fund			91	0
II. Trade (At Cost)			0	0
(a) Investments in Equity Shares of wholly owned subsidiary Companies, each Fully paid up			0	0
M.K. Web Tech Private Ltd. of ₹ 10/-	250000	250000	190	190
KPL Exports Private Ltd. of ₹ 10/-	6000000	6000000	10500	10500
Adyashakti Realtors Private Ltd. Of ₹ 10/-	10000	10000	5360	5360
(b) Investments in Equity Shares of other subsidiary Companies, each Fully paid up				
Blackplinth Realtors Pvt Ltd of ₹ 10/-	0	27000	0	3
Savitrimata Realtors Pvt. Ltd. Class B Shares of ₹ 10/-	25500	25500	107	107
Kothari Products Singapore Pte. Ltd. of SGD1/-	10000000	10000000	3746	3746
(c) Investments in Equity Shares of other Companies, each Fully paid up	0	0		
Hara Parvati Realtors Pvt. Ltd. of ₹ 10/-	25000	25000	1624	1624
Real Griha Nirman Private Ltd. of ₹ 10/-	10000	10000	1	1
Shubhadra Realtors Private Ltd. of ₹ 10/-	10000	10000	1	1
Sankhya Realtors Private Ltd. of ₹ 10/-	10000	10000	1	1
SPPL Hotels Private Ltd. of ₹ 10/-	250000	250000	478	478
Sattva Realtors Pvt Ltd of ₹ 10/-	12500	12500	1	1
Neelanchal Con-tech Private Limited of ₹ 10/-	10000	10000	1	1
Riverview Land Developers Pvt Ltd of ₹ 10/-	90000	90000	9	9
(d) Investment in Preference Shares of other companies, each fully paid-up of ₹ 10/- each			0	0
0.001% Non Cumulative Optionally Convertible Redeemable Preference Shares of SPPL Hotels Pvt. Ltd.	0	1621271	0	2770
0.001% Non Cumulative Compulsorly Convertible Preference Shares of SPPL Hotels Pvt. Ltd.	0	1557692	0	1480
0.001% Non Cumulative Optionally Convertible Redeemable Preference Shares of Hara Parvati Realtors Pvt. Ltd.	0	849233	0	591
0.001% Non Cumulative Compulsorly Convertible Preference Shares of Hara Parvati Realtors Pvt. Ltd.	0	815929	0	1477
(e) Others		0		0
National Savings Certificate (Deposited with Commercial Tax)		0		0
III. Trade (At Amortized Cost)			0	0
(a) Investments in Debentures of other subsidiary Companies		0		0
1% Redeemable Non Convertible Debentures of Savitrimata Realtors Private Limited	0	255000	0	3220
TOTAL (B)			22230	31783
TOTAL (A+B)			23254	36530

PARTICULARS	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 7		
Loans (Non Current)		
Loans Receivables Considered Good-Unsecured		
(a) Security Deposits	64	60
(b) Loans & Advances to related parties		
(i) Loans to Associate Companies/ Enterprises over which KMP are able to exercise significant influence	5545	5530
(ii) Loans to Subsidiaries:-		
Due from Savitrimata Realtors Pvt. Ltd.	154	66
Due from M.K. Web Tech Pvt. Ltd.	266	218
(c) Other Loans & Advances		
Advance for Properties	67	67
Loans to Others	99	91
(A)	<u>6195</u>	<u>6032</u>
Loans Receivables-Credit Impaired		
Loans to Others	100	100
Less: Provision for Credit Impairment	100	100
(B)	<u>0</u>	<u>0</u>
TOTAL (A+B)	<u>6195</u>	<u>6032</u>

PARTICULARS	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 8		
Bank Deposits (Non Current)		
In Fixed Deposit Accounts (Including interest accrued but not due)*	2872	21823
TOTAL	<u>2872</u>	<u>21823</u>

*Fixed Deposit of ₹ 287192810.76 (Previous Year ₹ 2174544120.84) pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company.

PARTICULARS	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 9		
Other Financial Assets (Non Current)		
Considered Good-Unsecured		
Other Loans & Advances		
-Advance recoverable in cash or in kind or for value to be received or pending adjustments	0	13
TOTAL	<u>0</u>	<u>13</u>

PARTICULARS	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note: 10 Deferred Tax Assets (Net)		
Deferred Tax Assets		
Arising Due to Time Difference between Books of Accounts and Income-tax Act, 1961	1538	780
TOTAL	<u>1538</u>	<u>780</u>
Component of Deferred Tax Assets (Net)		
Property, Plant and Equipment	41	41
Financial Assets	-84	-478
Provisions	1217	1217
MAT Credit	364	0
TOTAL	<u>1538</u>	<u>780</u>

(Amount in ₹ Lacs)

AS AT 31.03.2019	AS AT 31.03.2018
---------------------	---------------------

Note : 11

Inventories -

(At cost or net realisable Value whichever is lower, as certified by the management)

Trading Items	1090	1574
Real Estate (Work-in-progress)	1685	1668
Real Estate (Constructed Premises)	559	1066
TOTAL	3334	4308

Note: 12

PARTICULARS	QUANTITY (NOS.)	(Amount in ₹ Lacs)
	AS AT 31.03.2019	AS AT 31.03.2018
	AS AT 31.03.2019	AS AT 31.03.2018
Investments (Current)		
(A) Mutual Funds-At Market Value		
Units, each, fully paid up		
Aditya Birla Sun Life Corporate Bond Fund-Growth-Regular Plan of ₹10/-##	0.000	1267641.175
Axis Credit Risk Fund -Growth of ₹ 10/-##	0.000	21952856.455
Canara Robeco Capital Protection Oriented Fund-Series 7 Regular Growth-C7-GP of ₹ 10/-##	1200000.000	1200000.000
Canara Robeco Capital Protection Oriented Fund-Series 8 Regular Growth-C8-GP of ₹10/-##	1500000.000	1500000.000
Canara Robeco Capital Protection Oriented Fund-Series 9 Regular Growth-C9-GP of ₹ 10/-##	2000000.000	2000000.000
ICICI Prudential Medium Term Bond Fund- Growth of ₹ 10/-##	0.000	17522012.005
Invesco India Credit Risk Fund-Regular Plan-Growth of ₹ 1000/-##	0.000	79.086
Kotak Credit Risk Fund-Growth (Regular Plan) of ₹10/-##	0.000	10376106.457
Kotak Medium Term Fund-Growth (Regular Plan) of ₹ 10/-##	0.000	4736206.470
L&T Resurgent India Bond Fund- Growth of ₹10/-##	0.000	15433344.855
Reliance Low Duration Fund-Growth Plan Growth Option of ₹ 1000/-##	0.000	14534.476
Reliance Stratigaic Debt Fund -Growth Plan of ₹10/-##	0.000	9888051.058
Relience Credit Risk Fund- Growth Plan Growth Option of ₹ 10/-##	4474.333	4474.333
SBI Magnum Income Fund-Regular Plan-Growth of ₹10/-##	5617959.124	10623145.935
SBI Credit Risk Fund-Regular Growth of ₹10/-##	3869.475	3869.475
UTI-Liquid Cash Plan-Regular-Growth of ₹1000	2832.841	0.000
Aggregate Market Value	TOTAL (A)	3135
B. Trade (At Amortized Cost)		
1% Unsecured Non Convertible Debentures of Real Griha Nirman Private Limited	0.00	30000.00
TOTAL (A+B)	3135	20427

##Pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company.

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 13		
Trade Receivable Current		
Credit Impaired	3382	3382
Considered Good-Unsecured	131100	112570
	134482	115952
Less: Provision for Credit Impairment	3382	3382
TOTAL	131100	112570

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 14		
Cash & Cash Equivalent		
Cash & Bank Balances:		
(a) Cash in hand	9	6
(b) Balances with Scheduled Banks		
(i) In Current Accounts & E E F C Accounts	4284	1113
TOTAL	4293	1119

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 15		
Bank Balances other than Cash and Cash Equivalent		
(a) Balances with Scheduled Banks		
(i) In Unclaimed Dividend accounts	28	24
(ii) In Fixed Deposit Accounts (Including interest accrued but not due)**	3875	7750
TOTAL	3903	7774

**Fixed Deposit of ₹ 377029325.5 (Previous Year ₹ 775038884.68) pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company.

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 16		
Loans (Current)		
Considered Good-Unsecured		
-Loans & Advances to related parties		
Due from KPL Exports Pvt. Ltd., A Wholly Owned Subsidiary	7328	12869
TOTAL	7328	12869

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 17		
Bank Deposits Current		
In Fixed Deposit Accounts (Including interest accrued but not due)***	2682	29887
TOTAL	2682	29887

***Fixed Deposit of ₹ 260839455.85 (Previous Year ₹ 2981742560.25) pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 18		
Other Financial Assets (Current)		
Considered Good-Unsecured		
Other Loans & Advances		
-Advance recoverable in cash or in kind or for value to be received or pending adjustments	3593	2177
TOTAL	3593	2177

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 19		
Current Tax Assets (Net)		
Advance Income Tax and Tax Deducted at Source	1895	8688
Less: Provision for Tax	364	6554
TOTAL	1531	2134

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 20		
Equity Share Capital		
Authorised:		
31000000 Equity Shares of ₹ 10/- each	3100	3100
Issued, Subscribed And Paid Up :		
29843865 Equity Shares of ₹ 10/- each fully paid up	2984	2984
TOTAL	2984	2984

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each Holder of equity share is entitled to one vote per share. 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 in proportion to the number of equity shares held by the share holders.

20.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period	As at 31.3.2019		As at 31.03.2018	
	Number of shares	Amount	Number of shares	Amount
Equity Share of ₹ 10/- each fully paid up:-				
Opening Balance	29843865	2984	29843865	2984
Closing Balance	29843865	2984	29843865	2984
20.2 Details of shares held by shareholders holding more than 5% shares	As at 31.3.2019		As at 31.03.2018	
	Number of shares held	holding %	Number of shares held	holding %
Class of shares/Name of shareowners				
Equity Share of ₹10/- each fully paid up:-				
a) Mr. Deepak Kothari	16576596	55.54%	16576596	55.54%
b) Mitesh Kothari (HUF)	1828098	6.13%	1828098	6.13%
c) Dham Securities Pvt Ltd	3299998	11.06%	3299998	11.06%
d) Magnus Properties Pvt Ltd	1690114	5.66%	1690114	5.66%

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 21		
Other Equity:		
(a) General Reserve		
As per last Balance Sheet	35684	35243
Add : Transferred from Statement of Profit & Loss	204	441
Closing balance	35888	35684
(b) Profit & Loss Account - As per account annexed		
As per last Balance Sheet	48023	44194
Add-Profit for the year	2036	4414
Less: Taxes Paid under protest	874	0
Less: Prior Period Adjustments	1	144
	<u>49184</u>	<u>48464</u>
Less-Appropriations		
Transfer to General Reserve	204	441
Dividend Paid		
Tax on Dividend Paid	92	0
Closing balance	<u>48440</u>	<u>48023</u>
TOTAL	<u>84328</u>	<u>83707</u>

The amount of ₹ 874 lacs reported as 'Taxes Paid under protest' is the net tax recovered by the Department against tax demand created for AY 2016-17 vide assessment order dated 15.12.2018. The Company has appealed against the said order before the CIT (A), Kanpur. Though the Company is hopeful of a favourable Order, the Company has not carried the same as a receivable/asset owing to the contingency involved.

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 22		
Long Term Borrowings		
Secured		
Car Loan	6	80
TOTAL	<u>6</u>	<u>80</u>

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 23		
Other Non Current Liabilities		
Security Deposit Accepted Against Lease Agreement	154	162
TOTAL	<u>154</u>	<u>162</u>

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 24		
Borrowings		
24.1 Secured:		
Overdraft against TDRs from Nationalised Banks	0	15181
Cash Credit Limits from Nationalised Banks	0	98
Export Packing Credit Limits from Nationalised Banks	0	2180
Car Loan	74	115
TOTAL	<u>74</u>	<u>17574</u>

The Company in its consortium of lenders meeting dated 06.03.2019 had requested the lenders to dissolve the lenders consortium and to release all primary and collateral security held by the consortium. All the members of the consortium unanimously agreed to dissolve the consortium . Company is in process of obtaining NOC for release of all securities held by the consortium and its members.

		(Amount in ₹ Lacs)	
Particulars	AS AT	AS AT	
	31.03.2019	31.03.2018	
24.2 Unsecured			
(a) Loans from related parties			
(i) Loan From Directors			
Mr. Deepak Kothari	13239	9517	
Mr. Mitesh Kothari	18730	5750	
(ii) Loan From Subsidiary- Adyashakti Realtors Pvt Ltd.	9033	0	
(iii) Loans from Associate Companies/ Enterprises over which KMP are able to exercise significant influence			
Salarpuria Consultants Pvt Ltd	4545	0	
H & M Housing Finance & Leasing Pvt Ltd	6736	0	
MK Profinlease Pvt Ltd	8605	0	
Township Real Estate Developers Pvt Ltd	4023	0	
Yoga Builders Pvt Ltd	7815	0	
(b) Other Loans			
SPPL Property Management Pvt Ltd	4	0	
	<hr/>	<hr/>	
TOTAL	72730	15267	
GRAND TOTAL	72804	32841	

During the year Company obtained inter corporate deposits from its subsidiaries and the entities over which key managerial persons are able to exercise significant influence. These inter corporate deposits are interest bearing and repayable on demand.

		(Amount in ₹ Lacs)	
Particulars	AS AT	AS AT	
	31.03.2019	31.03.2018	
Note : 25			
Trade Payables			
25.1 (a) Total Outstanding Dues of Micro and Small Enterprises	0	0	
25.2 (b) Total Outstanding Dues of Creditors other than Micro and Small Enterprises	38580	141805	
TOTAL	38580	141805	

The Trade payable include payables secured by Letters of Credit issued by banks to the extent of ₹ 830096134 (Previous Year ₹ 12978518835).

		(Amount in ₹ Lacs)	
Particulars	AS AT	AS AT	
	31.03.2019	31.03.2018	
Note : 26			
Other Current Liabilities			
Advance Against Orders	131	367	
Due to Directors	8	4	
Unpaid/ Unclaimed Dividend	28	24	
Statutory Liabilities	113	15	
Outstanding Liabilities	61	347	
TOTAL	341	757	

		(Amount in ₹ Lacs)	
Particulars	Year Ended	Year Ended	
	31.03.2019	31.03.2018	
Note : 27			
Revenue from Operations			
(a) Sales of Traded Goods	322987	416166	
(b) Other Operating Revenues			
(i) Interest Earned on Bank Deposits held for Business Purposes & Others	2219	4686	
(ii) Rental Income	633	625	
(c) Net Gain on Investments	180	1065	
TOTAL	326019	422542	

		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 28			
Other Income			
(a)	Dividend Income (Gross)	27	44
(b)	Interest on Loans to Subsidiaries	296	414
(c)	Interest on Other Loans & Advances	17	224
(d)	Net Gain on Disposal of Property, Plant and Equipments	1	0
(e)	Net Gain on Investments	3226	680
(f)	Miscellaneous Income	45	333
	TOTAL	3612	1695

		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 29			
Purchases of Stock-in-Trade			
	Purchases of Traded Goods	317313	407980
	TOTAL	317313	407980

		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 30			
Increase (-) / Decrease (+) in Inventories of Stock-in-Trade			
Opening Stock :			
	Trading Items	1574	1462
	Real Estate (Work-in-Progress)	1668	2443
	Real Estate (Constructed Premises)	1066	643
		4308	4548

		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Closing Stock			
	Trading Items	1090	1574
	Real Estate (Work-in-Progress)	1685	1668
	Real Estate (Constructed Premises)	559	1066
		3334	4308
		974	240

		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 31			
Employee Benefit Expenses			
	Salaries, Wages and Bonus	135	156
	Contribution to Provident and other Funds	10	11
	Gratuity	3	3
	Director Remuneration	42	42
	Staff Welfare and Other Expenses	98	103
	TOTAL	288	315

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 32		
Other Expenses		
Electricity Expenses	51	55
General Insurance	60	48
Rent	151	173
Rates & Taxes	5	3
Net Loss on Foreign Currency Transactions and Translation	4977	4694
Repairs :		
Building	48	72
Others	37	43
Selling & Distribution Expenses	9	31
Travelling & Conveyance	166	153
Miscellaneous Expenses	319	2352
Net Loss on Disposal of Property, Plant and Equipments	0	1
Payment to Auditors :		
Audit Fee	2	3
Directors' Commission	0	202
Directors' Sitting Fee	0	0
TOTAL	5825	7830

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 33		
Finance Cost		
Interest Cost	2197	979
Bank Charges	1134	1643
TOTAL	3331	2622

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 34		
Contingent Liabilities:-		
Corporate Guarantees issued by the Company to certain banks on behalf of one of its subsidiary	43057	40882
	(USD 62.25 Million)	(USD 62.85 Million)
Corporate Guarantees issued by the Company to Nationalised banks on behalf of associate companies	42000	42000
Corporate Guarantees issued by the Company to Nationalised banks on behalf of one of its wholly owned subsidiary	38100	38500

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 35		
Value of Imports (C.I.F. Basis)		
Stock-in-trade	317324	394252

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 36		
Expenditure in Foreign Currency :		
Travelling Expenses	7	17
Import of Goods- Trading Items	317324	394252
Export Commission	0	33

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 37		
Earning in Foreign Currency :		
Export of goods on F.O.B. Basis	279704	362009

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 38		
Payment to Auditors :		
(a) As Auditors	2	3
(b) For Tax Audit	0	0

Particulars	(Amount in ₹ Lacs)	
	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 39		

Segment Information (Information about Business Segments) :

The Company operates in two business segments-

- (a) Trading Items
- (b) Real estate etc

Segment Information are as under-

(A) Segment Revenue (Net Sales/ Income)

(a) Trading Items	325701	422178
(b) Real Estate etc.	3930	2059
	<u>329631</u>	<u>424237</u>

(B) Segment Results (Profit(+) / Loss(-) Before Tax)

(a) Trading Items	1484	6474
(b) Real Estate etc.	3524	1198
Net Profit Before Interest	5008	7672
(c) Interest Expenses	3331	2622
Net Profit Before tax	1677	5050

	As at 31.03.2019	As at 31.03.2018
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(C) Segment Assets

(a) Trading Items	174684	226816
(b) Real Estate etc.	24513	35520
	<u>199197</u>	<u>262336</u>

(D) Segment Liabilities

(a) Trading Items	111543	169866
(b) Real Estate etc.	342	5778
	<u>111885</u>	<u>175644</u>

Note: 40

Related Party Disclosures in accordance with Ind AS 24.

Details of Related parties with whom transactions have taken place during the year and having outstanding at the end of the year are as under:-

(i) Names of Related Parties and Description of Relationship :

(A) Key Managerial Personnel & their Relatives :

- | | |
|--|--|
| (a) Shri Deepak Kothari - Chairman & Managing Director | (f) Dr. Avinash Gupta-Non Executive Director |
| (b) Shri Mitesh Kothari - Executive Director | (g) Shri Vikas Chaturvedi-Non Executive Director |
| (c) Smt. Hemani Gowani | (h) Smt. Arti Kothari |
| (d) Smt. Poonam Acharya-Non Executive Director | (i) Shri Raj Kumar Gupta- C S & Compliance Officer |
| (e) Shri Pramod Kumar Tandon-Non Executive Director | (j) Shri Anurag Tandon- CFO |

(B) Associate Companies:

- Real Griha Nirman Private Limited
- Sankhya Realtors Private Limited
- Neelanchal Con-tech Private Limited
- Hara Parvati Realtors Private Limited
- SPPL Hotels Private Limited
- Subhadra Realtors Private Limited
- Sattva Realtors Private Limited

(C) Enterprises over which Key Managerial Personnel are able to exercise significant influence :

- BKC Properties Pvt. Limited
- Dham Securities Pvt. Limited
- Ekta Flavours Pvt. Limited
- Kothari Detergents Limited
- Lohewala Construction Pvt. Limited
- Pan Parag India Limited
- Sukhdham Constructions & Developers Limited
- Yoga Builders Pvt. Limited
- Salarpuria Consultants Pvt. Limited
- Township Real Estate Developers (I) Pvt. Limited
- MK Profinlease Pvt. Limited
- H & M Housing Finance & Leasing Pvt. Limited
- Camellia Griha Nirman Pvt. Limited
- DK Web-Tech Pvt. Limited

(D) Subsidiary Companies :

(I) Direct Subsidiary :

- (a) MK Web-Tech Pvt. Limited
- (b) KPL Exports Limited
- (c) Kothari Products Singapore Pte. Limited
- (d) Savitrimata Realtors Pvt. Limited
- (e) Adyashakti Realtors Pvt Limited

(II) Step-down Subsidiary :

- Pinehills (Singapore) Pte. Ltd., a wholly owned subsidiary of Kothari Products Singapore Pte Limited

(ii) Summary of Transactions:

Particulars	Key Managerial Personnel & Relatives		Associate Companies/ Others in which KMP have significant influence		Subsidiary Companies	
	(Amount in ₹ Lacs)					
	For the year ended/As on 31.03.2019	31.03.2018	For the year ended/As on 31.03.2019	31.03.2018	For the year ended/As on 31.03.2019	31.03.2018
Directors'/KMP Remuneration etc.	95	297	-	-	-	-
Sale of Goods / Services	-	135	-	-	-	-
On Account of Expenses	22	19	145	162	-	-
On Account of Interest on Loan Taken	-	82	438	-	135	-
On Account of Income - Rent	-	-	3	3	1	1
Interest Income on Loan Given	-	-	2	216	296	414
Interest Received including amortisation of premium on Debentures	-	-	96	(281)	(670)	236
Investment in Shares During the year	-	-	-	-	-	5,360
Redemption of Debenture (Investment) During the year	-	-	-	1,000	-	-
Sale of Investments	-	-	13,471	-	-	-
Dividend Paid	286	572	49	99	-	-
Corporate Guarantees issued and outstanding as on date	-	-	42,000	42,000	81,157	79,382
Outstanding (Payable)	31,977	15,270	30,212	-	9,032	-
Outstanding (Receivable)	-	-	6,354	5,530	7,748	13,153

Note : Since no amount is considered as bad & doubtful, neither provision is made for the same nor amount written off.

Note:41

Earning Per Share :

	2018-19	2017-18
(a) Profit after tax (Profit attributable to Equity Shareholders)	2036	4414
(b) Weighted average nos. of Equity Shares for Basic / Diluted EPS	29843865	29843865
(c) Nominal Value of Equity Share (in ₹)	10.00	10.00
(d) Basic and Diluted Earning per Equity Share (in ₹)	6.82	14.79

Note:42

(A) Forward Contracts (hedged) outstanding as at Balance Sheet date are as under -

(Figures in Lacs)						
Particulars of Derivatives	Derivative Contracts	31.03.2019		31.03.2018		Purpose
		Amount in Foreign Currency	Equivalent Indian Rupees	Amount of Foreign Currency	Equivalent Indian Rupees	
Sell	USD/INR	85	5887	1220	79361	Hedge of Export and other Receivables
	EURO/INR	1	85	16	1295	
Buy	USD/INR	86	5966	1263	82156	Hedge of Import and other Payables
	EURO/INR	0	0	16	1295	

(B) Unhedged Foreign Currency Exposures as at Balance Sheet date are as under-

(Figures in Lacs)

Particulars	Currency	31.03.2019		31.03.2018	
		Amount in Foreign Currency	Equivalent Indian Rupees	Amount of Foreign Currency	Equivalent Indian Rupees
Export and other Receivables	USD	1787	123634	884	57504
	EURO	0	0	26	2074
Import and other Payables	USD	470	32515	1178	76364
	EURO	0	0	183	13940

Note: 43

Operating Lease:-

The company's significant lease agreement is in respect of operating lease for Premises and the aggregate lease rentals receivable are credited to the Statement of Profit & Loss. The future minimum lease rent receivable under non-cancelable operating lease are as under:-

Particulars	As on 31.03.2019	As on 31.03.2018
Not later than one year	62	77
Later than one year and not later than five year	174	236
Later than five year	0	0

Note: 44

There is no amount due to be paid to 'Investor Education & Protection Fund' maintained by the Government of India as at the year end. These amounts shall be paid to the funds as and when they become due.

Note: 45

There is no amount due to Micro Enterprises and Small Enterprises, based on the records and the information received from suppliers.

Note: 46

The figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with those of current year.

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To
The Members of
Kothari Products Limited
Kanpur

REPORT ON THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

OPINION

We have audited the accompanying consolidated Ind AS financial statements of Kothari Products Limited (herein after referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates, comprising of the consolidated Balance sheet as at March 31, 2019, 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 notes to the consolidated Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements"). In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and associates, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at March 31, 2019, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs), as 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 Ind AS Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the 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 audit opinion on the consolidated Ind AS financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated Ind AS financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated Ind AS financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us

by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated Ind AS financial statements.

Increase in Inter corporate deposits and utilization thereof-

The Group's borrowings have increased by ₹ 612.40 crores during the year and there is no significant increase in the property, plant and equipment or other assets of the company or volume of trading activity of the Group. In view of the above, verification of the end use of the funds and compliances of reporting requirements in respect of the same involved extensive procedures and also judgements with respect to proper classification, terms and conditions of the loans etc.

How our audit addressed the key audit matter

For the matter referred to above, our procedures included, among others, verification of the funds flow and bank transactions of the Parent company, type of relationship with the lending parties, the statutory records and filings done by the parent company with the Registrar of Companies and filings done by the lending parties, to the extent available, the loan agreements executed between the parties etc.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Holding 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 consolidated Ind AS financial statements and our auditor's report thereon. Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether such 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 FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cashflows and consolidated statement of changes in equity of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and of its associates 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 the 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 Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so. Those respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS.

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 SAs 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 consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the consolidated Ind AS 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.
2. 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 Company and its subsidiary Companies which are companies incorporated in India has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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 and its associates 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 consolidated Ind AS 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 and its associates to cease to continue as a going concern.
5. Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
6. Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements for the financial year ended March 31, 2019 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTER

1. We did not audit the financial statements and other financial information, in respect of 6 subsidiaries, whose Ind AS financial statements include total assets of ₹ 167,824.64/-Lacs as at March 31, 2019, and total revenues of ₹ 250,662.02/- Lacs for the year ended on that date. These Ind AS financial statement and other financial information have been audited by other

auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated Ind AS financial statements also include the Group's share of net profit of ₹ 214.77 Lacs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 7 associate, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report(s) of such other auditors.

Certain subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in the respective country and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiaries and associate located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries and associate located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion above on the consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements and other financial information certified by the management.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and associates, as noted in the 'other matter' paragraph we report, to the extent applicable, that:

1. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
2. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
3. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
4. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
5. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies and associate companies which are incorporated in India, none of the directors of the Group and its associates which are incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;
6. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company and its subsidiary companies and associate companies refer to our separate Report in "Annexure 1" to this report.
7. In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries and associates the managerial remuneration for the year ended March 31, 2019 has been paid / provided by the Holding Company, its subsidiaries and associates to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;
8. 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 and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries and associates, as noted in the 'Other matter' paragraph:

- a. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group and its associates in its consolidated Ind AS financial statements Refer note 46 to the consolidated Ind AS financial statements;
- b. The Group and its associates did not have material foreseeable losses in long-term contracts including derivative contracts during the year ended March 31, 2019.
- c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, and associates during the year ended March 31, 2019.

For RAJIV MEHROTRA AND ASSOCIATES
Chartered Accountants,
Firm Registration No. 002253C

Place: Kanpur
Date : 29th May, 2019

(Anjani Kheterpal)
PARTNER
Membership No. 401701

Annexure 1 referred to in para (f) under the heading “Report on Other Legal and Regulatory Requirements” to the independent auditor’s report of even date on the consolidated Ind AS Financial Statements of Kothari Products Limited

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 Ind AS financial statements of Kothari Products Limited as of and for the year ended March 31, 2019, we have audited the internal financial controls over financial reporting of Kothari Products Limited (hereinafter referred to as the “Holding Company”) its subsidiaries and associate companies incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

3. Our responsibility is to express an opinion on the Holding Company’s its subsidiaries, associate companies incorporated in India internal financial controls over financial reporting with reference to these consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, both, issued by Institute of Chartered Accountants of India, and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements was 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 internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, 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 and the audit evidence obtained by the other auditors of the subsidiary companies and associate companies incorporated in India in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED IND AS FINANCIAL STATEMENTS.

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS

7. Because of the inherent limitations of internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these consolidated financial statements 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, its subsidiary companies and its associate companies, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements and such internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Holding Company its subsidiaries and associate companies incorporated in India considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

OTHER MATTER

9. Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements of the Holding Company, in so far as it relates to subsidiaries, associate companies incorporated in India is based on corresponding reports of the auditors of such companies. Our opinion is not qualified in respect of this matter.

For RAJIV MEHROTRA AND ASSOCIATES
Chartered Accountants,
Firm Registration No. 002253C

(Anjani Kheterpal)
PARTNER
Membership No. 401701

Place: Kanpur
Date : 29th May, 2019

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	NOTE	(Amount in ₹ Lacs)	
		As at 31.03.2019	As at 31.03.2018
I. ASSETS			
(1) Non-Current Assets			
Property, Plant and Equipment	2	3442	1986
Capital Work-in-Progress	3	146	0
Investment Property	4	6878	6437
Intangible Assets	5	2	0
Goodwill		6290	6290
Financial Assets			
Investments	6	1817	11853
Loans	7	5843	6390
Bank Deposits	8	7887	27103
Other Financial Assets	9	0	13
Deferred Tax Assets	10	1506	705
(2) Current Assets			
Inventories	11	15854	21648
Financial assets			
Investments	12	3135	21950
Trade Receivables	13	234443	186200
Cash and Cash Equivalents	14	10877	1831
Bank Balances other than above	15	12107	13320
Bank Deposits	16	6217	37229
Other Financial Assets	17	10385	10589
Current Tax Assets (Net)	18	1703	2776
TOTAL ASSETS		328532	356320
II. EQUITY & LIABILITIES			
(1) Equity			
Equity Share capital	19	2984	2984
(2) Other Equity	20	110027	98274
Non Controlling Interests		0	2
(3) Non-current liabilities			
Financial Liabilities			
Long Term Borrowings	21	48446	13125
Other Non Current Liabilities	22	308	662
(4) Current Liabilities			
Financial Liabilities			
Borrowings	23	65605	39686
Trade Payables:-	24		
(a) Total Outstanding Dues of Micro and Small Enterprises	24.1	0	0
(b) Total Outstanding Dues of Creditors other than Micro and Small Enterprises	24.2	96499	197763
Provisions	25	666	881
Other Current Liabilities	26	3997	2943
TOTAL EQUITY & LIABILITY		328532	356320
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.	2-47		

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

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

	NOTE	Year Ended 31.03.2019	Year Ended 31.03.2018
(Amount in ₹ Lacs)			
I. Revenue from Operations			
Revenue from operations	27	576487	636660
Other income	28	3340	1290
Total Income		579827	637950
II. Expenses			
Cost of materials consumed	29	0	61
Purchase of stock-in-trade	30	533023	615533
Changes in inventories	31	4229	273
Employee benefit expense	32	677	765
Depreciation and amortisation expense	2,3,4,5	318	291
Other Expenses	33	19669	9473
Finance Costs	34	5880	4492
Total Expenses		563796	630888
III. Profit/(Loss) before Exceptional Items, Share of Net Profits of Investments accounted for using Equity Method and Tax		16031	7062
Share of Net Profits of Associates & Joint Ventures accounted for using Equity Method		215	-258
IV. Profit before Exceptional Items & Tax		16246	6804
Exceptional items		0	0
V. Profit/(Loss) before Tax		16246	6804
Income Tax Expense			
Current Tax		4653	1885
MAT Credit		-364	0
Deferred Tax		-436	-595
Income Tax for Previous Year (Net)		36	-21
VI. Profit/(Loss) for the period from Continuing Operations		12357	5535
Discontinued Operations			
Profit from Discontinued Operations before Tax		0	0
Tax Expense of Discontinued Operations		0	0
VII. Profit from Discontinued Operations		0	0
VIII. PROFIT/(LOSS) FOR THE YEAR		12357	5535
IX. Other Comprehensive Income			
A. Items that may be reclassified to profit or loss		0	0
Income Tax relating to these Items		0	0
B. Items that will not be reclassified to profit or loss		0	0
Income Tax relating to these Items		0	0
Other Comprehensive Income for the Year (Net of Tax)		0	0
Less: Minorities Interest		0	0
X. TOTAL COMPREHENSIVE INCOME FOR THE YEAR		12357	5535
XI. Earnings per Share (for continuing operations)			
Basic EPS		41.41	18.55
Diluted EPS		41.41	18.55
XII. Earnings per Share (for discontinued operations)			
Basic EPS		0.00	0.00
Diluted EPS		0.00	0.00
XIII. Earnings per Share (for discontinued & continuing operations)			
Basic EPS		41.41	18.55
Diluted EPS		41.41	18.55
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.	2-47		

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

PARTICULARS

(Amount in ₹ Lacs)

AS at 01.04.2017	2984
Issue of Equity Share Capital	0
AS at 31.03.2018	2984
Issue of Equity Share Capital	0
AS at 31.03.2019	2984

B. Other Equity

PARTICULARS	Reserves and Surplus					Total
	Foreign Currency Translation Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Items of OCI	
AS at 01.04.2017	2026	0	35243	55530	0	92799
Profit for the year	0	0	0	5535	0	5535
Other Comprehensive Income	0	0	0	0	0	0
Total Comprehensive Income for the year	0	0	0	5535	0	5535
Addition/ (Deletion) during the year						
Transfer to General Reserve	0	0	441	-441	0	0
Other Addition/ (Deletion)	73	0	0	-144	0	-71
Adjustment related to Ceased Subsidiaries	0	0	0	11	0	11
Dividend Paid on Equity Share and tax thereon	0	0	0	0	0	0
Minorities Interest	0	0	0	0	0	0
AS at 31.03.2018	2099	0	35684	60491	0	98274
Profit for the year	0	0	0	12357	0	12357
Other Comprehensive Income	0	0	0	0	0	0
Total Comprehensive Income for the year	0	0	0	12357	0	12357
Addition/ (Deletion) during the year						
Transfer to General Reserve	0	0	204	-204	0	0
Other Addition/ (Deletion)	804	7489	0	-8364	0	-71
Adjustment related to Ceased Subsidiaries	0	0	0	6	0	6
Dividend Paid on Equity Share and tax thereon	0	0	0	-539	0	-539
Minorities Interest	0	0	0	0	0	0
AS at 31.03.2019	2903	7489	35888	63747	0	110027

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2019

PARTICULARS	(Amount in ₹ Lacs)	
	2018-19	2017-18
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax	16246	6804
Adjustments for:		
- Depreciation	318	291
- Finance Cost	5880	4492
- Balances Written off / Bad Debts	396	1763
- Prior Period Expenses	240	-144
- Exchange Translation Reserve on Consolidation	804	73
- Net Unrealised Forex (Gain)/loss	4481	-177
- Reserve related to Ceased Subsidiary	6	0
- Fair Value Adjustment relating to Investment in Mutual Funds and Listed Securities	3336	-38
- Finance Income on Redeemable Debentures	144	289
- Lease Rent- (Impact on discounting of Security Deposits)	-6	-6
-Share of Net Profits of Associates & Joint Ventures accounted for using Equity Method	-215	258
- Profit (-) / Loss on Sale of Property, Plant and Equipment	32	1
- Net Profit on Sale of Investments	-6448	-1753
- Interest Income	-17	-223
- Dividend Income	-27	-44
Operating Profit/ (loss) before working capital changes	8924	4782
Adjustments for:		
- Trade Receivables & Others	-55132	-18855
- Inventories	5287	-4224
- Trade payables & Others	-97767	-63308
Cash Generated from Operations	-122442	-74801
Net Income Tax (paid)/ Refund	-4733	-3304
Net Cash flow from/(used in) Operating Activities	-127175	-78105
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
- Purchase of Property, Plant and Equipment	-1754	-987
- Purchase of Intangible Asset	-4	0
- Capital Work in Progress	-146	0
- Sale of Property, Plant and Equipment	14	83
- Purchase of Investments- Others	-31240	-13079
- Purchase of Goodwill (Net)	0	-5503
- Sale of Investments-Other	53319	7089
- Sale of Investments-Associate Companies	9740	1000
- Loans to associate companies (Net)	-14	-194
- Loans to others	-8	-6
- Interest Received	17	223
- Investment in Bank Deposits	51446	66347
- Dividend Received	27	44
Net Cash flow from/(used in) Investing Activities	81397	55017

PARTICULARS	(Amount in ₹ Lacs)	
	2018-19	2017-18
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
- Secured Loans from banks	-19545	4520
- Unsecured Loans	67488	4295
- Loans from director	13297	15702
- Dividend Paid	-447	-896
- Tax on Dividend Paid	-92	-182
- Finance Cost	-5877	-4490
Net Cash flow from/(used in) Financing Activities	54824	18949
NET CHANGES IN CASH & CASH EQUIVALENTS (A+B+C)	9046	-4139
Cash & Cash Equivalents - Opening Balance	1831	5970
Cash & Cash Equivalents - Closing Balance	10877	1831

Note:

- The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, Statement of Cash Flows.
- The figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with those of the current year.
- Components of cash and cash equivalents :-

Particulars	As at 31 March 2019	As at 31 March 2018
(a) Cash in hand and in transit	15	12
(b) Balances with Scheduled Banks		
(i) In Current Accounts & E E F C Accounts	10862	1819
TOTAL	10877	1831

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

Note:1 SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

A. The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (IND AS) notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provisions of the Act. The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i) Certain financial assets and liabilities that is measured at fair value
- ii) Defined benefit plans-plan assets measured at fair value

The financial statements are presented in Indian Rupees ('INR') and all values are rounded to nearest lakhs (INR .00,000), except when otherwise indicated

B. Current vs. Non Current classification:

The Company presents assets and liabilities in the balance sheet based on current/non- current classification.

(a) An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for purpose of trading
- Expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

(b) A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and deferred tax liabilities are classified as non- current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its general operating cycle.

C. USE OF ESTIMATES :

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period. Differences between actual results and estimates are recognised in the year in which the results are known or materialise

1.2 PROPERTY, PLANT AND EQUIPMENT (PPE)

- (i) Property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.
- (ii) The initial cost of an asset comprises its purchase price (including import duties and non-refundable taxes, if any), any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by the management, borrowing cost for qualifying assets (i.e. assets that necessarily take a substantial period of time to get ready for their intended use).
- (iii) Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- (iv) An item of Property, plant and equipment and any significant part initially recognised separately as part of Property, plant and equipment is de-recognised upon disposal; or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the assets is included in the Statement of Profit and Loss.
- (v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

- (vi) Depreciation on property, plant and equipment is provided on prorata basis on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The asset wise details of useful lives considered for purposes of calculating depreciation are as under:

Building	- 30 years	Vehicles	- 8 years
Furniture	- 10 years	Computers	- 6 years
Office equipment	- 5 years	Computer Software	- 2 years

1.3 INVESTMENT PROPERTY

Investment Property is property (land or a building – or part of a building – or both) held either to earn rental income or for capital appreciation or both, but not for sale in the ordinary course of business, used in production or supply of goods or services or for administrative purposes. Investment Properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Any gain or loss on disposal of investment property calculated as the difference between the net proceeds from disposal and carrying amount of the Investment Property shall be recognized in Statement of Profit and Loss.

Depreciation on Investment Property is provided on straight-line method using the useful lives of the assets estimated by management and in the manner prescribed in Schedule II of the Companies Act 2013. The useful life considered in respect of Building is 60 years

1.4 LEASE ACCOUNTING :

- All the lease agreements of the Company are in respect of operating lease of the premises (residential and business premises etc.).
- The aggregate lease rentals payable are charged to the Statement of Profit & Loss as Rent Expense.
- The cancellable lease agreements are usually renewable by mutual consent at mutually agreeable terms. Non-cancelable lease agreements for a specified period are renewable at the option of the lessee/licensee at mutually agreed term.
- The aggregate lease rentals receivable for the year is credited to the Statement of Profit & Loss as Rental Income .

1.5 INVENTORIES :

- Basis of Valuation:** Inventories are stated at lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item-by-item basis.
- Method of Valuation-** Cost of inventories comprises of expenditure incurred in the normal course of business in bringing inventories to their present location including appropriate overheads apportioned on a reasonable and consistent basis.

The inventories have been physically taken by the management periodically.

1.6 INVESTMENTS :

Investments are stated at cost except those investments which are to be stated at fair value as per Ind AS. Accordingly:

- Investments in Equity/Preference capital of unlisted Subsidiaries and Associates are valued at cost. The company does not have any listed subsidiaries/associates
- Investments in unlisted Debt Instruments are valued at Amortised Cost.
- Investments in listed equity instruments are valued at fair value, arrived at, on the basis of quotes available as at the end of the year.
- On disposal of an investment, the difference between its carrying amount and net disposal proceed is charged or credited to the Statement of Profit and Loss.

1.7 TRANSACTIONS IN FOREIGN CURRENCY :

a) Initial recognition :

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction.

b) Measurement of foreign currency items at the Balance Sheet date :

Foreign currency monetary items of the Company are reinstated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

c) Forward Exchange Contracts :

In respect of the transactions covered by forward exchange contracts, the difference between the year end rates and the exchange rate at the date of contract is recognised in statement of profit and loss and the premium paid on forward contract is recognised over the life of the contract.

1.8. REVENUE RECOGNITION:

Revenue from sale of goods is recognised on transfer of all significant risks and rewards of ownership to the buyer. The amount recognised as sale is exclusive of GST and are net of returns.

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

Interest Income is recognised on time proportion basis taking into account the amount outstanding and the applicable interest rates and is disclosed in "other income". Interest income earned in the course of the Trading Activity undertaken by the company is classified under 'operating income' since the underlying bank deposits are in-extricably linked with such trade and the interest income from such deposits are as much part of the margin from such trade.

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms and is included in other operating income in the statement of profit or loss due to its operating nature.

1.9 EMPLOYEE RETIREMENT BENEFITS :
Short term employee benefits

All employee benefits payable/available within twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and bonus, etc., are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The Company contributes a part of the contributions to the Government administered Provident/Pension Fund. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable through the provident fund scheme as and expense, when an employee renders related services.

Other long term employee benefits

The company has subscribed to a Group Gratuity Accumulation Policy from the Life Insurance Corporation of India, which is a defined benefit plan. The liabilities with respect to Gratuity Plan are determined by actuarial valuation by LIC. The annual premium, as determined, based on such valuation, is paid and charged to the Statement of Profit & Loss Account. The value of the accumulated contribution by the Company as at 31.03.2019 was 81 lacs which the adequately covers the estimated Gratuity Liability

The valuation method used by the LIC is Projected Unit credit method. Other actuarial assumptions for the policy are as under:-

1. Mortality Rate: LIC(2006-08) Ultimate
2. Withdrawal Rate: 1% to 3% depending on age
3. Discount Rate: 7.5% p.a.
4. Salary Escalation: 8%

1.10 PROVISIONS FOR TAXATION:
Current Taxes:

- (i) Current income tax, assets and liabilities are measured at the amount expected to be paid to or recovered from the taxation authorities in accordance with the Income Tax Act, 1961 and the Income Computation and Disclosure Standards (ICDS) enacted in India by using tax rates and the tax laws that are enacted at the reporting date.
- (ii) Current income tax relating to item recognised outside the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or equity). Current tax items are recognised in correlation to the underlying transactions either in OCI or directly in equity.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets.

Deferred tax assets are reviewed as at each Balance Sheet date to reassess realisation.

1.11 PROVISIONS & CONTINGENCIES:

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

1.12 EARNING PER SHARE:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share consolidation, without a corresponding change in resources, if any.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares, if any.

The company has not issued any potentially dilutive equity shares.

1.13 PROPOSED DIVIDEND:

Under Ind AS, proposed dividend is recognised as liability in the period in which it is declared by the Company, usually when approved by the shareholders in a general meeting, or paid.

The Company recognizes a liability to make payment of dividend to owners of equity when the distribution is authorized and is no longer at the discretion of the Company and is declared by the shareholders . A corresponding amount is recognised directly in equity.

The annual dividend proposed, if any, by the Directors forms part of the Directors' Report

1.14 BORROWING COSTS:

Borrowing Costs that are directly attributable to acquisition, construction or production of a qualifying asset are capitalised. Other borrowing costs are expensed out.

1.15 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of changes in value.

1.16 OFFSETTING OF FINANCIAL ASSETS AND LIABILITIES

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

1.17 Several debit and credit balances are subject to confirmation by parties.

1.18 GOVERNMENT GRANTS, SUBSIDIES AND EXPORT INCENTIVES:

Government Grants are recognised at their realizable value when there is reasonable assurance that the grant will be received and all the attached conditions will be complied with.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The company is an exporter and receives grants in the form of Duty Drawbacks, Import entitlement etc. The same are recognized, subject to the policy stated in para 1 above, in the year in which the export sales are made and the company is eligible for the grants/incentive and when there is no uncertainty about its realisation.

Note:2 :
Property, Plant & Equipment

The changes in the carrying value of property, plant and equipment for the year ended 31 March, 2019 are as follows: (Amount in ₹ Lacs)

PARTICULARS	Freehold Land	Leasehold Land	Building (Office)	Building (Godown)	Motor Cars	Computers	Office Equipment	Temporary Structure	Furniture & Fixture	Plant & Machinery	TOTAL
Gross carrying value as of April 1, 2018	11	-	378	297	1376	59	163	77	124	737	3222
Additions	-	-	1637	-	105	3	2	-	0	-	1747
Deletions/Transfer	-	-	-	-	7	-	0	-	-	57	64
Gross carrying value as of March 31, 2019	11	-	2015	297	1474	62	165	77	124	680	4905
Accumulated Depreciation as of April 1, 2018	-	-	176	24	543	49	142	77	75	150	1236
Depreciation for the year	-	-	23	5	157	4	5	-	8	43	245
Deduction / adjustments during the period	-	-	-	-	3	-	0	-	-	15	18
Accumulated Depreciation as of March 31, 2019	-	-	199	29	697	53	147	77	83	178	1463
Carrying value as of March 31, 2019	11	-	1816	268	777	9	18	-	41	502	3442
Carrying value as of March 31, 2018	11	-	202	273	833	10	21	-	49	587	1986

(CONSOLIDATED)
Note : 3
Capital Work-in-Progress
(Amount in ₹ Lacs)

PARTICULARS	AS AT 31.03.2019
Gross carrying value as of April 1, 2018	-
Additions	146
Deletions/Transfer	-
Gross carrying value as of March 31, 2019	146
Accumulated Depreciation as of April 1, 2018	-
Depreciation for the year	-
Deduction / adjustments during the period	-
Accumulated Depreciation as of March 31, 2019	-
Carrying value as of March 31, 2019	146
Carrying value as of March 31, 2018	-

Capital Work-in-progress is amount attributable to items of property, plant & equipment which are yet to be fully commissioned and be available for intended use.

The Company has a Capital Work-in-progress to the tune of ₹ 146 lacs in respect of a 290KV Solar Power Plant being installed in Noida.

The plant is under commissioning stage and is expected to be put to use by the next financial year.

Note : 4
Investment Property
(Amount in ₹ Lacs)

PARTICULARS	AS AT 31.03.2019	AS AT 31.03.2018
Gross Amount		-
Opening		
Depreciable Investment Property	3,999	3,528
Other Investment Property#	2,971	2,971
Additions (Depreciable)	513	482
Additions (Non Depreciable)	-	-
Deletion/ Transfer (Non Depreciable)	-	-
Deletion/ Transfer (Depreciable)	-	11
Closing	7,483	6,970
Accumulated Depreciation		
Opening	533	471
For the year	72	62
Closing	605	533
Net Carrying Amount	6,878	6,437

Includes a leasehold land allotted by New Okhla Industrial Development Authority, Ghaziabad for 99 years as per lease Deed dated 22nd February, 1985.

The Amounts recognised in the Statement of Profit & Loss in respect of Investment Properties are as under:

PARTICULARS	Year Ended 31.03.2019	Year Ended 31.03.2018
Rental income from investment property	626	621
Direct operating expenses (including repairs and maintenance) arising from investment property that generated rental income during the period	12	28
Direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the period.	60	64

Note : 5
Intangible

PARTICULARS	Computer Software	TOTAL
Gross carrying value as of April 1, 2018	-	-
Additions	4	4
Deletions/Transfer	-	-
Gross carrying value as of March 31, 2019	4	4
Accumulated Depreciation as of April 1, 2018	-	-
Depreciation for the year	2	2
Deduction / adjustments during the period	-	-
Accumulated Depreciation as of March 31, 2019	2	2
Carrying value as of March 31, 2019	2	2
Carrying value as of March 31, 2018	-	-

Note : 6

PARTICULARS	QUANTITY (NOS.)		(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
Investments (Non Current)				
A. Quoted - Non Trade (At Market Value)				
I. Equity Shares, Each, Fully Paid-up				
Agro Tech Foods Ltd. of ₹10/-	0	12000	0	76
Amararaja Batteries Ltd of ₹ 1/-	5000	5000	36	40
Bajaj Consumer Care Ltd. of ₹ 1/-	0	20000	0	94
Bajaj Finance Limited of ₹ 2/-	0	6000	0	106
Bank of Baroda of ₹ 2/-	30000	30000	39	43
Bharat Heavy Electricals Ltd of ₹ 2/-	30000	30000	22	24
Central Depository Services (India) Ltd of ₹ 10/-	10000	10000	24	28
Cummins India Ltd of ₹ 2/-	0	20000	0	140
Dhanuka Agritech Ltd of ₹ 2/-	3566	3566	14	20
GE Power India Ltd of ₹ 10/-	0	38005	0	353
IDFC Limited of ₹ 10/-	144500	144500	67	70
IDFC First Bank Ltd of ₹ 10/-	94500	94500	52	45
Jyothy Laboratories Ltd of ₹ 1/-	0	12000	0	47
Larsen & Toubro Ltd. of ₹ 2/-	1000	3000	14	39
Marico Ltd of ₹ 1/-	0	80000	0	261
Kaya Ltd. of ₹ 10/-	0	1210	0	13
Motherson Sumi Systems Ltd of ₹ 1/-	2250	4500	3	14
NBCC (India) Ltd of ₹ 1/-	42000	21000	28	40
NRB Bearings Ltd of ₹ 2/-	0	10000	0	15
NMDC Ltd of ₹ 1/-	50000	50000	52	59
Oil and Natural Gas Corporation Ltd of ₹ 5/-	40000	40000	64	71
Power Finance Corporation Ltd of ₹ 10/-	40000	40000	49	34
PI Industries Ltd of ₹ 1/-	0	5000	0	44
Punjab National Bank of ₹ 2/-	30000	30000	29	29
Power Grid Corporation of India Ltd of ₹ 10/-	25000	25000	50	49
Rallis India Ltd of ₹ 1/-	0	30000	0	71
Reliance Industries Ltd. of ₹ 10/-	25500	51000	348	450
Stampede Capital Limited of ₹ 1/-	600000	600000	10	51

NOTE : 6 CONTINUED

PARTICULARS	QUANTITY (NOS.)		(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
Stampede Capital Ltd.-DVR of ₹ 1/-	150000	150000	1	8
State Bank of India of ₹ 1/-	0	150	0	0
Sun Pharmaceuticals Industries Ltd of ₹ 1/-	5000	5000	24	25
Dhanlaxmi Bank Limited of ₹ 10/-	215000	215000	37	46
Tata Chemicals Ltd of ₹ 10/-	6000	6000	35	41
Tata Motors Ltd of ₹ 2/-	15000	15000	26	49
Triveni Turbine Ltd. of ₹ 1/-	0	12500	0	13
UPL Limited of ₹ 2/-	0	5000	0	36
Uflex Ltd. of ₹ 10/-	0	492056	0	1672
Whirlpool of India Ltd. of ₹ 10/-	0	35000	0	530
Aggregate Market Value		TOTAL (A)	1024	4746
B. Unquoted				
I. Non-trade (At Cost)				
(a) Capital Contribution in India Growth Fund			120	223
(b) India Realty Excellence Fund			91	0
II. Trade (At Cost)				
Riverview Land Developers Pvt Ltd of ₹ 10/-	90000	90000	9	9
NH2 Limited of GBP 0.10/-			573	557
(a) Investment in Preference Shares of other companies, each fully paid-up of ₹ 10/- each				
0.001% Non Cumulative Optionally Convertible Redeemable Preference Shares of SPPL Hotels Pvt. Ltd.	0	1621271	0	2770
0.001% Non Cumulative Compulsorly Convertible Preference Shares of SPPL Hotels Pvt. Ltd.	0	1557692	0	1480
0.001% Non Cumulative Optionally Convertible Redeemable Preference Shares of Hara Parvati Realtors Pvt. Ltd.	0	849233	0	591
0.001% Non Cumulative Compulsorly Convertible Preference Shares of Hara Parvati Realtors Pvt. Ltd.	0	815929	0	1477
(b) Others				
National Savings Certificate (Deposited with Commercial Tax)			0	0
			793	7107
(c) Investments in Equity Shares of other Companies, each Fully paid up				
Hara Parvati Realtors Pvt. Ltd. of ₹ 10/-	25000	25000	1624	1624
Real Griha Nirman Private Ltd. of ₹ 10/-	10000	10000	1	1
Shubhadra Realtors Private Ltd. of ₹ 10/-	10000	10000	1	1
Sankhya Realtors Private Ltd. of ₹ 10/-	10000	10000	1	1
SPPL Hotels Private Ltd. of ₹ 10/-	250000	250000	478	478
Sattva Realtors Pvt Ltd of ₹ 10/-	12500	12500	1	1
Neelanchal Con-tech Private Limited of ₹ 10/-	10000	10000	1	1
		(a)	2107	2107
Less : Share of Losses in Associates		(b)	2773	2988
			-666	-881
Shown as provision for losses in Associates			-666	-881
Net Investments in Equity Shares of Associate Companies		TOTAL (C)	0	0
		TOTAL (A+B+C)	1817	11853

		(CONSOLIDATED)	
		(Amount in ₹ Lacs)	
PARTICULARS		AS AT 31.03.2019	AS AT 31.03.2018
Note : 7			
Loans (Non Current)			
Loans Receivables Considered Good-Unsecured			
(a) Security Deposits		77	647
(b) Loans & Advances to related parties			
(i) Loans to Associate Companies/Enterprises over which KMP are able to exercise significant influence		5545	5530
(c) Other Loans & Advances:			
Advance for Properties		67	67
Advance paid for APHP		55	55
Loans to Others		99	91
	(A)	5843	6390
Loans Receivables-Credit Impaired			
Loans to Others		100	100
Less: Provision for Credit Impairment		100	100
	(B)	0	0
	TOTAL (A+B)	5843	6390

		(Amount in ₹ Lacs)	
		AS AT 31.03.2019	AS AT 31.03.2018
PARTICULARS			
Note : 8			
Bank Deposits (Non Current)			
In Fixed Deposit Accounts (Including interest accrued but not due)*		7887	27103
	TOTAL	7887	27103

*Fixed Deposit of ₹ 7887 Lacs (Previous Year ₹ 27025 Lacs) pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company.

		(Amount in ₹ Lacs)	
		AS AT 31.03.2019	AS AT 31.03.2018
PARTICULARS			
Note : 9			
Other Financial Assets (Non Current)			
Considered Good-Unsecured			
Other Loans & Advances			
-Advance recoverable in cash or in kind or for value to be received or pending adjustments		0	13
	TOTAL	0	13

		(Amount in ₹ Lacs)	
		AS AT 31.03.2019	AS AT 31.03.2018
PARTICULARS			
Note: 10 Deferred Tax Assets (Net)			
Deferred Tax Assets			
Arising Due to Time Difference between Books of Accounts and Income-tax Act, 1961		1506	705
	TOTAL	1506	705
Component of Deferred Tax Assets (Net)			
Property, Plant and Equipment		9	-20
Financial Assets		-84	-492
Provisions		1217	1217
MAT Credit		364	0
	TOTAL	1506	705

(CONSOLIDATED)

(Amount in ₹ Lacs)

AS AT **AS AT**
31.03.2019 **31.03.2018**

Note : 11

Inventories -

(At cost on FIFO basis or net realisable Value whichever is lower, as certified by the management)

Trading Items	1090	1578
Real Estate (Work-in-progress)	14205	19004
Real Estate (Constructed Premises)	559	1066
TOTAL	15854	21648

NOTE: 12

PARTICULARS	QUANTITY (NOS.)		(Amount in ₹)	
	AS AT 31.03.2019	AS AT 31.03.2018	AS AT 31.03.2019	AS AT 31.03.2018
Investments (Current)				
(A) Mutual Funds-At Market Value				
Units, each, fully paid up				
Aditya Birla Sun Life Corporate Bond Fund-Growth-Regular Plan of ₹ 10/-##	0.000	1267641.175	0	842
Axis Credit Risk Fund -Growth of ₹ 10/-##	0.000	30882092.261	0	4214
Canara Robeco Capital Protection Oriented Fund-Series 7 Regular Growth-C7-GP of ₹ 10/-##	1200000.000	1200000.000	139	131
Canara Robeco Capital Protection Oriented Fund-Series 8 Regular Growth-C8-GP of ₹ 10/-##	1500000.000	1500000.000	167	157
Canara Robeco Capital Protection Oriented Fund-Series 9 Regular Growth-C9-GP of ₹ 10/-##	2000000.000	2000000.000	214	201
ICICI Prudential Medium Term Bond Fund- Growth of ₹ 10/-##	0.000	17856910.190	0	4827
Invesco India Credit Risk Fund-Regular Plan-Growth of ₹ 1000/-##	0.000	79.086	0	1
Kotak Credit Risk Fund-Growth (Regular Plan) of ₹ 10/-##	0.000	10494468.329	0	2007
Kotak Medium Term Fund-Growth (Regular Plan) of ₹ 10/-##	0.000	4736206.470	0	684
L&T Resurgent India Bond Fund- Growth of ₹ 10/-##	0.000	15433344.855	0	2006
Reliance Low Duration Fund-Growth Plan Growth Option of ₹ 1000/-##	0.000	21279.609	0	510
Reliance Strategic Debt Fund -Growth Plan of ₹ 10/-##	0.000	10106029.326	0	1416
Reliance Credit Risk Fund- Growth Plan Growth Option of ₹ 10/-##	4474.333	4474.333	1	1
SBI Magnum Income Fund-Regular Plan-Growth of ₹ 10/-##	5617959.124	10623145.935	2526	4508
SBI Credit Risk Fund-Regular Growth of ₹ 10/-##	3869.475	3869.475	1	1
UTI-Liquid Cash Plan-Regular-Growth of ₹ 1000	2832.841	0.000	87	0
Aggregate Market Value	TOTAL (A)		3135	21506
III. Trade (At Amortized Cost)				
1% Unsecured Non Convertible Debentures of Real Griha Nirman Private Limited	0.00	30000.00	0	444
TOTAL (A+B)			3135	21950

##Pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company

(CONSOLIDATED)
(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 13		
Trade Receivable Current		
Credit Impaired	3554	3382
Considered Good-Unsecured	234443	186200
	237997	189582
Less: Provision for Credit Impairment	3554	3382
TOTAL	234443	186200

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 14		
Cash & Cash Equivalent		
Cash & Bank Balances:		
(a) Cash in hand	15	12
(b) Balances with Scheduled Banks		
(i) In Current Accounts & E E F C Accounts	10862	1819
TOTAL	10877	1831

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 15		
Bank Balances other than Cash and Cash Equivalent		
(a) Balances with Scheduled Banks		
(i) In Unclaimed Dividend accounts	28	23
(ii) In Fixed Deposit Accounts (Including interest accrued but not due)**	12079	13297
TOTAL	12107	13320

**Fixed Deposit of ₹ 11793 Lacs (Previous Year ₹ 13297 Lacs) pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company.

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 16		
Bank Deposits Current		
In Fixed Deposit Accounts (Including interest accrued but not due)***	6217	37229
TOTAL	6217	37229

***Fixed Deposit of ₹ 6143 Lacs (Previous Year ₹ 37160 Lacs) pledged with the banks as margin money or as collateral towards credit limits sanctioned by them to the Company

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 17		
Other Financial Assets (Current)		
Considered Good-Unsecured		
Other Loans & Advances		
-Advance recoverable in cash or in kind or for value to be received or pending adjustments	10385	10589
TOTAL	10385	10589

(CONSOLIDATED)

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 18		
Current Tax Assets (Net)		
Advance Income Tax and Tax Deducted at Source	6399	11479
Less: Provision for Tax	4696	8703
TOTAL	1703	2776

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 19		
Equity Share Capital		
Authorised:		
31000000 Equity Shares of ₹ 10/- each	3100	3100
Issued, Subscribed And Paid Up :		
29843865 Equity Shares of ₹ 10/- each fully paid up	2984	2984
TOTAL	2984	2984

The company has only one class of shares referred to as equity shares having a par value of ₹ 10/-. Each Holder of equity share is entitled to one vote per share. 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 in proportion to the number of equity shares held by the share holders.

19.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period

As at 31.3.2019

As at 31.03.2018

	Number of shares	Amount	Number of shares	Amount
Equity Share of ₹ 10/- each fully paid up:-				
Opening Balance	29843865	2984	29843865	2984
Closing Balance	29843865	2984	29843865	2984

19.2 Details of shares held by shareholders holding more than 5% shares

As at 31.3.2019

As at 31.03.2018

Class of shares/Name of shareowners	Number of shares held	holding %	Number of shares held	holding %
Equity Share of ₹10/- each fully paid up:-				
a) Mr. Deepak Kothari	16576596	55.54%	16576596	55.54%
b) Mitesh Kothari (HUF)	1828098	6.13%	1828098	6.13%
c) Dham Securities Pvt Ltd	3299998	11.06%	3299998	11.06%
d) Magnus Properties Pvt Ltd	1690114	5.66%	1690114	5.66%

(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 20		
Other Equity:		
(a) Foreign Currency Translation Reserve	2903	2099
	2903	2099
(b) Debenture Redemption Reserve	7489	0
	7489	0

NOTE : 20 CONTINUED

(CONSOLIDATED)

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
(c) General Reserve		
As at Commencement of the year	35684	35243
Add : Transferred from Profit & Loss Account	204	441
	<u>35888</u>	<u>35684</u>
(d) Profit & Loss Account - As per account annexed		
Opening Balance	60491	55530
Add(+) Profit for the year	12357	5535
Less: Taxes Paid under protest	874	0
Less: Prior Period Expenses	1	144
	<u>71973</u>	<u>60921</u>
Less : Related to Ceased Subsidiary-	-6	-11
	<u>71979</u>	<u>60932</u>
Less: Appropriations		
Transfer to General Reserve	204	441
Transfer to Debenture Redemption Reserve	7489	0
Dividend Paid	447	0
Tax on Dividend Paid	92	0
	<u>63747</u>	<u>60491</u>
TOTAL	<u>110027</u>	<u>98274</u>

The amount of ₹ 874 lacs reported as 'Taxes Paid under protest' is the net tax recovered by the Department against tax demand created for AY 2016-17 vide assessment order dated 15.12.2018. The Company has appealed against the said order before the CIT (A), Kanpur. Though the Company is hopeful of a favourable Order, the Company has not carried the same as a receivable/asset owing to the contingency involved.

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 21		
Long Term Borrowings		
Secured		
Car Loan	6	80
Property Loan	1326	0
Unsecured		
From Salarpuria Properties Pvt. Ltd.	14	12
From SPPL Property Management Pvt. Ltd.	429	306
2055700 (NIL) 1% Optionally Convertible Debentures of ₹ 1000/- each	20557	0
940000 (NIL) 6% Optionally Convertible Debentures of ₹ 1000/- each	9400	0
241000 (291000) 2% Non-convertible Debentures of ₹ 1000/- each	3465	3580
1310500 (1055500) 1% Redeemable Non Convertible Debentures of ₹ 1000/- each	13249	9147
	<u>48446</u>	<u>13125</u>

Particulars	(Amount in ₹ Lacs)	
	AS AT 31.03.2019	AS AT 31.03.2018
Note : 22		
Other Non Current Liabilities		
Security Deposit Accepted Against Lease Agreement	308	662
TOTAL	<u>308</u>	<u>662</u>

(CONSOLIDATED)

(Amount in ₹ Lacs)

Note : 23

Borrowings

Secured:

	AS AT 31.03.2019	AS AT 31.03.2018
Overdraft against TDRs from Nationalised Banks	0	18478
Cash Credit Limits from Nationalised Banks	0	98
Export Packing Credit Limits from Nationalised Banks	0	2180
Car Loan	74	115
TOTAL	74	20871

The Holding Company in its consortium of lenders meeting dated 06.03.2019 had requested the lenders to dissolve the lenders consortium and to release all primary and collateral security held by the consortium. All the members of the consortium unanimously agreed to dissolve the consortium. Company is in process of obtaining NOC for release of all securities held by the consortium and its members.

	AS AT 31.03.2019	AS AT 31.03.2018
(a) Loans from related parties		
(i) Loan From Directors		
Mr. Deepak Kothari	13160	9519
Mr. Mitesh Kothari	18810	5750
Others	141	3546
(ii) Loans from Associate Companies/ Enterprises over which KMP are able to exercise significant influence		
Salarpuria Consultants Pvt Ltd	4545	0
H & M Housing Finance & Leasing Pvt Ltd	6736	0
MK Profinlease Pvt Ltd	8605	0
Township Real Estate Developers Pvt Ltd	4023	0
Yoga Builders Pvt Ltd	7815	0
Camelia Griha Nirman Pvt Ltd	1692	0
(b) Other Loans		
SPPL Property Management Pvt Ltd	4	0
TOTAL	65531	18815
GRAND TOTAL	65605	39686

During the year Company and its one of the subsidiaries Company obtained inter corporate deposits from the entities over which key managerial persons are able to exercise significant influence. These inter corporate deposits are interest bearing and repayable on demand.

	AS AT 31.03.2019	AS AT 31.03.2018
(Amount in ₹ Lacs)		
Particulars		
Note : 24		
Trade Payables		
24.1 (a) Total Outstanding Dues of Micro and Small Enterprises	0	0
24.2 (b) Total Outstanding Dues of Creditors other than Micro and Small Enterprises	96499	197763
	96499	197763

The Trade payable include payables secured by Letters of Credit issued by banks to the extent of ₹ 42916 Lacs (Previous Year ₹ 161245 Lacs).

	AS AT 31.03.2019	AS AT 31.03.2018
(Amount in ₹ Lacs)		
Particulars		
Note : 25		
Provisions		
Provision for losses in Associate Companies	666	881
	666	881

(CONSOLIDATED)
(Amount in ₹ Lacs)

Particulars	AS AT 31.03.2019	AS AT 31.03.2018
Note : 26		
Other Current Liabilities		
Advance Against Orders	1757	2005
Due to Directors	7	4
Unclaimed / Unpaid Dividend	28	24
Statutory Liabilities	205	47
Interest Accrued & Due	248	225
Outstanding Liabilities	1752	638
TOTAL	3997	2943

(Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 27		
Revenue from Operations		
(a) Sales of Traded Goods	571878	629134
(b) Sales	0	85
(c) Other Operating Revenues		
(i) Interest Earned on Bank Deposits held for Business Purposes & Others	3697	5704
(ii) Net Gain on Investments Carried at Fair Value through Profit & Loss	70	38
(iii) Net Gain on Disposal of Investments	180	1064
(iv) Miscellaneous Income	0	11
(v) Rental Income	662	624
TOTAL	576487	636660

(Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 28		
Other Income		
(a) Dividend Income	27	44
(b) Interest on Loans	17	224
(c) Net Gain on Disposal of Investments	3226	689
(d) Net Gain on Disposal of Property, Plant and Equipments	1	0
(e) Miscellaneous Receipts	69	333
TOTAL	3340	1290

(Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 29		
Cost of Material Consumed		
Opening Stock	0	5
Add: Purchases	0	56
	0	61
Less: Closing Stock	0	0
TOTAL	0	61

Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 30		
Purchases of Stock-in-Trade		
Purchases of Traded Goods	533023	615533
TOTAL	533023	615533

(CONSOLIDATED)
(Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 31		
Increase (-) / Decrease (+) in Inventories of Stock-in-Trade		
Opening Stock :		
Trading Items	1579	1462
Finished goods	0	12
Real Estate (Work-in-Progress)	5147	2574
Real Estate (Constructed Premises)	1066	643
	<u>7792</u>	<u>4691</u>
Closing Stock		
Trading Items	1090	1579
Finished goods	0	0
Real Estate (Work-in-Progress)	1914	1773
Real Estate (Constructed Premises)	559	1066
	<u>3563</u>	<u>4418</u>
	<u>4229</u>	<u>273</u>

(Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 32		
Employee Benefit Expenses		
Salaries, Wages and Bonus	509	584
Contribution to Provident and other Funds	25	24
Gratuity	3	3
Director Remuneration	42	44
Staff Welfare and Other Expenses	98	110
TOTAL	<u>677</u>	<u>765</u>

(Amount in ₹ Lacs)

Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 33		
Other Expenses		
Electricity Expenses	71	87
Manufacturing Expenses	0	8
General Insurance	107	72
Rent	347	241
Rates & Taxes	53	18
Freight & Cartage Outward	185	583
Loss on Foreign Currency Transactions and Translation	5881	5420
Bad Debts	380	0
Repairs :		
Building	94	115
Others	50	47
Selling & Distribution Expenses	9	31
Travelling & Conveyance	188	162
Miscellaneous Expenses	12281	2463
Net Loss on Disposal of Property, Plant and Equipments	0	1
Payment to Auditors :		
Statutory Audit Fee	23	23
Directors' Commission	0	202
Directors' Sitting Fee	0	0
TOTAL	<u>19669</u>	<u>9473</u>

		(CONSOLIDATED)	
		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Note : 34			
Finance Cost			
	Interest Cost	4307	2154
	Bank Charges	1573	2338
	TOTAL	5880	4492

		(Amount in ₹ Lacs)	
		AS AT 31.03.2019	AS AT 31.03.2018
Note : 35			
Contingent Liabilities:-			
	Corporate Guarantees issued by the Company to certain banks on behalf of one of its subsidiary	43057	40882
		(USD 62.25 Million)	(USD 62.85 Million)
	Corporate Guarantees issued by the Company to Nationalised banks on behalf of associate companies	42000	42000
	Corporate Guarantees issued by the Subsidiaries Companies to Nationalised banks	166000	166000
	Corporate Guarantees issued by the Company to Nationalised banks on behalf of one of its wholly owned subsidiary	38100	38500

Note : 36
Segment Information (Information about Business Segments) :

The Company operates in two business segments-

- (a) Trading Items
- (b) Real estate etc

		(Amount in ₹ Lacs)	
	Particulars	Year Ended 31.03.2019	Year Ended 31.03.2018
Segment Information are as under-			
(A) Segment Revenue (Net Sales/ Income)			
	(a) Trading Items	545097	635855
	(b) Real Estate etc.	34730	2095
		579827	637950
(B) Segment Results (Profit(+)/ Loss(-) Before Tax)			
	(a) Trading Items	2259	10479
	(b) Real Estate etc.	19867	817
	Net Profit Before Interest	22126	11296
	(c) Interest Expenses	5880	4492
	Net Profit Before tax	16246	6804
		As at 31.03.2019	As at 31.03.2018
(C) Segment Assets			
	(a) Trading Items	278431	318933
	(b) Real Estate etc.	50101	37387
		328532	356320
(D) Segment Liabilities			
	(a) Trading Items	191754	244037
	(b) Real Estate etc.	23767	11025
		215521	255062

Note: 37

Related Party Disclosures in accordance with Ind AS 24.

Details of Related parties with whom transactions have taken place during the year and having outstanding at the end of the year are as under:-

(i) Names of Related Parties and Description of Relationship :

(A) Key Managerial Personnel & their Relatives :

- | | |
|--|--|
| (a) Shri Deepak Kothari - Chairman & Managing Director | (f) Dr. Avinash Gupta-Non Executive Director |
| (b) Shri Mitesh Kothari - Executive Director | (g) Shri Vikas Chaturvedi-Non Executive Director |
| (c) Smt. Hemani Gowani | (h) Smt. Arti Kothari |
| (d) Smt. Poonam Acharya-Non Executive Director | (i) Shri Raj Kumar Gupta- C S & Compliance Officer |
| (e) Shri Pramod Kumar Tandon-Non Executive Director | (j) Shri Anurag Tandon- CFO |

(B) Associate Companies:

- Real Griha Nirman Private Limited
- Sankhya Realtors Private Limited
- Neelanchal Con-tech Private Limited
- Hara Parvati Realtors Private Limited
- SPPL Hotels Private Limited
- Subhadra Realtors Private Limited
- Sattva Realtors Private Limited

(C) Enterprises over which Key Managerial Personnel are able to exercise significant influence :

- BKC Properties Pvt. Limited
- Scaffold Properties Pvt. Limited
- Dham Securities Pvt. Limited
- Fobos Properties Pvt. Limited
- Ekta Flavours Pvt. Limited
- Orbus Properties Pvt. Limited
- Kothari Detergents Limited
- Sequence Properties Pvt. Limited
- Lohewala Construction Pvt. Limited
- Venkatesh Griha Nirman Pvt. Limited
- Pan Parag India Limited
- Ambakeshwar Realtors Pvt. Limited
- Sukhdham Constructions & Developers Limited
- Salarpuria Profin Pvt. Limited
- Yoga Builders Pvt. Limited
- Supraja Properties Pvt. Limited
- Salarpuria Consultants Pvt. Limited
- Salarpuria Properties Pvt. Limited
- Township Real Estate Developers (I) Pvt. Limited
- SPPL Property Management Pvt. Limited
- MK Profinlease Pvt. Limited
- Wellgrowth Griha Nirman Pvt. Limited
- H & M Housing Finance & Leasing Pvt. Limited
- Harkeshwar Realtors Pvt. Limited
- Camellia Griha Nirman Pvt. Limited
- Salarpuria Grihanirman Pvt. Limited
- DK Web-Tech Pvt. Limited

(ii) Summary of Transactions:
(Amount in ₹ Lacs)

Particulars	Key Managerial Personnel & Relatives		Associate Companies / Others in which KMP have significant influence	
	For the year ended / As on		For the year ended / As on	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Directors'/KMP Remuneration etc.	95	297	-	-
Sale of Goods / Services	-	135	-	-
On Account of Expenses	22	19	145	162
On Account of Interest on Loan Taken	-	82	910	-
On Account of Income - Rent	-	-	3	3
Interest Income on Loan Given	-	-	2	216
Interest Received including amortisation of premium on Debentures	-	-	96	(281)
Redemption of Debenture (Investment) During the year	-	-	500	1,000
Debentures Issued during the year	-	-	29,957	-
Sale of Investments	-	-	13,471	-
Dividend Paid	286	572	49	99
Corporate Guarantees issued and outstanding as on date	-	-	42,000	42,000
Outstanding (Payable)	31,977	15,270	74,803	-
Outstanding (Receivable)	-	-	6,354	5,530

Note : Since no amount is considered as bad & doubtful, neither provision is made for the same nor amount written off.

Note: 38

The details regarding associate companies is as follows:

Name of Associates	Proportion of Ownership
Haraparvati Realtors Private Limited	50%
Real Griha Nirman Private Limited	50%
Shubhadra Realtors Private Limited	50%
Sankhya Realtors Private Limited	50%
SPPL Hotels Private Limited	50%
Neelanchal Con-tech Private Limited	50%
Sattva Realtors Private Limited	25%

The above associate were accounted for using equity method in the consolidated financial statements

Note: 39

Earning Per Share :	2018-19	2017-18
(a) Profit after tax (Profit attributable to Equity Shareholders)	12357	5535
(b) Weighted average nos. of Equity Shares for Basic / Diluted EPS	29843865	29843865
(c) Nominal Value of Equity Share (in ₹)	10.00	10.00
(d) Basic and Diluted Earning per Equity Share (in ₹)	41.41	18.55

Note: 40
(A) Forward Contracts (hedged) outstanding as at Balance Sheet date are as under -
(Figures in Lacs)

Particulars of Derivatives	Derivative Contracts	31.03.2019		31.03.2018		Purpose
		Amount in Foreign Currency	Equivalent Indian Rupees	Amount in Foreign Currency	Equivalent Indian Rupees	
Sell	USD/INR	151	10429	1658	107875	Hedge of Export and other Receivables
	EURO/INR	1	85	35	2827	
Buy	USD/INR	151	10442	1452	94466	Hedge of Import and other Payables
	EURO/INR	0	0	16	1295	

(B) Unhedged Foreign Currency Exposures as at Balance Sheet date are as under-

(Figures in Lacs)

PARTICULARS	Currency	31.03.2019		31.03.2018	
		Amount in Foreign Currency	Equivalent Indian Rupees	Amount of Foreign Currency	Equivalent Indian Rupees
Export and other Receivables	USD	2802	193819	1150	74779
	EURO	0	0	52	4175
Import and other Payables	USD	920	63634	1516	98293
	EURO	0	0	183	13940

Note: 41

Operating Lease:-

The company's significant lease agreement is in respect of operating lease for Premises and the aggregate lease rentals receivable are credited to the Statement of Profit & Loss. The future minimum lease rent receivable under non-cancelable operating lease are as under:-

(Amount in ₹ Lacs)

PARTICULARS	As on 31.03.2019	As on 31.03.2018
Not later than one year	62	77
Later than one year and not later than five year	174	236
Later than five year	0	0

Note: 42

There is no amount due to be paid to 'Investor Education & Protection Fund' maintained by the Government of India as at the year end. These amounts shall be paid to the funds as and when they become due.

Note: 43

There is no amount due to Micro Enterprises and Small Enterprises, based on the records and the information received from suppliers.

Note: 44

During the year M/s. Blackplinth Realtors Pvt. Ltd. has ceased to be a subsidiary of the Company.

Note: 45

The aforesaid consolidated financial results consist of results of the Company and its subsidiary companies- MK Web Tech Pvt. Ltd., KPL Exports Ltd., Adyashakti Realtors Pvt. Ltd., Kothari Products Singapore Pte. Ltd., Savitrimata Realtors Pvt. Ltd & Pinehills (Singapore) Pte. Ltd. (100% subsidiary of Kothari Products Singapore Pte. Ltd.).

Note: 46

List of pending cases

Sl. No.	Name of the statute	Nature of Dues	Amount in ₹ Lacs	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act	income Tax	47.16	A Y 2013-14	CIT(Appeal)
2	Income Tax Act	income Tax	874.01	A Y 2016-17	CIT(Appeal)
3	Income Tax Act	income Tax	16.30	A Y 2010-11	Income Tax Appellate Tribunal
4	Income Tax Act	income Tax	30.04	A Y 2009-10	Income Tax Appellate Tribunal
5	Income Tax Act	income Tax	206.72	Block Period	High Court
6	Income Tax Act	income Tax	65.12	A Y 2001-02	High Court
7	Income Tax Act	income Tax	117.93	A Y 2001-02	High Court
8	Income Tax Act	income Tax	26.10	A Y 2008-09	High Court

Sl. No.	Name of the statute	Nature of Dues	Amount in ₹ Lacs	Period to which the amount relates	Forum where dispute is pending
9	Income Tax Act	income Tax	26.10	A Y 2008-09	High Court
10	U.P. Sales Tax Act*	Luxary Tax & Sales Tax	17.97	1994-1995	Deputy Commissioner, Commercial Tax
11	U.P. Sales Tax Act*	Trade Tax	25.66	2007-2008	Tribunal, Commercial Tax
12	U.P. Sales Tax Act*	Trade Tax	3.52	2007-2008	Tribunal, Commercial Tax
13	Tamilnadu VAT ACT*	Sales Tax	272.00	2000-2001	Supreme Court
14	Insurance Act	Insurance Claim	41.59	2008	Supreme Court
15	Employee Provident Fund Act	Provident Fund	2.03	2009-2010	High Court
16	Commercial Act	Recovery Case	1,927.09	2016-2017	Commercial Court/ Civil Court/High Court
17	Commercial Act	Civil Suit	367.00	-	Civil Court
18	Negotiable Instrument Act	U/s 138 NI Act & U/S 482 CR.P.C.	100.00	-	ACMM Court/ High Court
19	Central Excise Act	Prosecution of Excise Act	Amount unascertainable	-	CJM Court
20	C.R.P.C.	U/S 482 CR.P.C.	Amount unascertainable	-	High Court
21	P.F.A. Act*	PFA Case	Amount unascertainable	-	Judicial Magistrate
22	M.V. Act	Claim Cases	Amount unascertainable	-	MACT

* These are the proceeding in respect of the demerged pan masala entity viz. M/s Pan Parag India Limited and are the liability of the said demerged entity.

Note: 47

The figures of previous year have been regrouped / recast wherever considered necessary to make them comparable with those of current year.

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES / ASSOCIATES / JOINT VENTURES AS PER COMPANIES ACT, 2013

PART-A: SUBSIDIARIES

(Amount in ₹ Lacs)

Sl. No.	Name of Subsidiary	Financial Year Ending on	Share Capital	Reserves	Total Assets	Total Liabilities	Details of Investments			Turnover (Including Other Income)	Profit Before Taxation	Provision for Taxation	Profit After taxation	Proposed Dividend	Extent of holding
							Non Quoted & Trade	(a) Shares	(b) Others						
1	MK Web-Tech Pvt. Limited	31.03.2019	25	1305	1632	1632	0	0	0	11	-128	-1	-127	0	100%
2	KPL Exports Limited	31.03.2019	600	19020	95190	95190	0	0	0	124512	242	51	191	0	100%
3	Kothari Products Singapore Pte. Limited*	31.03.2019	5267	8593	34448	34448	573	0	573	87238	336	46	290	0	99.9998%
4	Pinehills (Singapore) Pte. Ltd. (100% subsidiary of Kothari Products Singapore Pte. Ltd.)*														
5	Savitrimata Realtors Pvt. Limited	31.03.2019	5	-20	14099	14099	0	0	0	0	-3	0	-3	0	51%
6	Advashakti Realtors Limited	31.03.2019	1	9041	22455	22455	0	0	0	38902	13915	4152	9763	0	100%

*The reporting currency of Financials of M/s Kothari Products Singapore Pte Ltd and its 100% subsidiary Pinehills (Singapore) Pte Ltd are in USD (\$) and conversion rate applied is 1USD = ₹ 69.1713 and figures are as per audited consolidated financials of Kothari Products Singapore Pte. Ltd.

Name of Subsidiaries which have ceased to be subsidiary during the year:-

1. M/s Blackplinth Realtors Private Limited

PART-B: ASSOCIATES /JOINT VENTURES

(Amount in ₹ Lacs)

Sl. No.	Name of Associates/ Joint Venture	Latest Audited Balance Sheet Date	Shares of Associate/ Joint Venture held by the Company on the Year End		Net-Worth attributable to Shareholding as per latest audited Balance Sheet	Profit/Loss for the year		Description of how there is Significant Influence	Reason why the Associate/ Joint Venture is not consolidated
			No.	Amount of Investment in Associate/ Joint Venture		Extent of holding	Considered in Consolidation		
1	Haraparvati Realtors Private Limited	31.03.2019	25000	1624	3343	50%	857	Note A	Note B
2	Real Griha Nirman Private Limited	31.03.2019	10000	1	0	50%	0	Note A	Note B
3	Shubhadra Realtors Private Limited	31.03.2019	10000	1	1781	50%	0	Note A	Note B
4	Sankhya Realtors Private Limited	31.03.2019	10000	1	-4	50%	-9	Note A	Note B
5	SPPL Hotels Private Limited	31.03.2019	250000	478	1401	50%	-812	Note A	Note B
6	Neelanchal Con-tech Private Limited	31.03.2019	10000	1	-23	50%	176	Note A	Note B
7	Sattva Realtors Private Limited	31.03.2019	12500	1	757	25%	-1	Note A	Note B

Note A- There is significant influence due to percentage (%) of voting power.

Note B- Associates are accounted for using equity method.

As per our report of even date attached hereto.

For and on behalf of the Board

For RAJIV MEHROTRA & ASSOCIATES

Firm Regn NO. 002253C

CHARTERED ACCOUNTANTS

(ANJANI KHETERPAL)

Partner

Membership No. 401701

(DEEPAK KOTHARI)

Chairman & Managing Director

(MITESH KOTHARI)

Executive Director

Place : Kanpur

Date : 29th May, 2019

(RAJ KUMAR GUPTA)

CS & Compliance Officer

(ANURAG TANDON)

Chief Financial Officer

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries and Associates

Name of The Enterprises	Net Assets i.e. Total Assets Minus Total Liabilities		Share in Profit or Loss	
	As % of Consolidated Net Assets	Amount (₹ In Lacs)	As % of Consolidated Profit or Loss	Amount (₹ In Lacs)
Parent				
Kothari Products Limited	77.26	87312	16.48	2036
Subsidiaries				
Indian				
Mk Web-Tech Pvt Ltd	1.18	1330	-1.03	-127
KPL Exports Ltd	17.36	19620	1.55	191
Savitrimata Realtors Pvt Ltd	-0.01	-15	-0.02	-3
Adyashakti Realtors Pvt Ltd	8.00	9042	79.01	9763
Foreign				
Kothari Products Singapore Pte Ltd*				
Pinehills (Singapore) Pte. Ltd (100% Subsidiary of Kothari Products Singapore Pte. Ltd)*	12.26	13860	2.35	290
Non Controlling Interest	0.00	0	0.00	0
Associates (Investments As Per The Equity Method)				
Indian				
Haraparvati Realtors Private Limited	2.63	2977	6.94	857
Real Griha Nirman Private Limited	0.00	0	0.00	0
Shubhadra Realtors Private Limited	0.00	1	0.00	0
Sankhya Realtors Private Limited	0.00	0	-0.07	-9
Sppl Hotels Private Limited	-3.17	-3584	-6.57	-812
Neelanchal Con-Tech Private Limited	0.04	47	1.42	176
Sattva Realtors Private Limited	-0.09	-106	-0.01	-1

*The figures are as per audited consolidated financials of Kothari Products Singapore Pte. Ltd.

As per our report of even date attached hereto.

For RAJIV MEHROTRA & ASSOCIATES
Firm Regn NO. 002253C
CHARTERED ACCOUNTANTS

For and on behalf of the Board

(ANJANI KHETERPAL)
Partner
Membership No. 401701

(DEEPAK KOTHARI)
Chairman & Managing Director

(MITESH KOTHARI)
Executive Director

Place : Kanpur
Date : 29th May, 2019

(RAJ KUMAR GUPTA)
CS & Compliance Officer

(ANURAG TANDON)
Chief Financial Officer

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



Regd. Office : "PAN PARAG HOUSE", 24/19, THE MALL, KANPUR - 208 001
CIN: L16008UP1983PLC006254

ATTENDANCE SLIP

I, hereby record my presence at the Thirty Fifth Annual General Meeting of the Company being held on **Monday, the 23rd day of September, 2019 at 11:30 A.M. at Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave – 3, Kanpur.**

1. Full Name of the Shareowner/Proxy
(In Block Letters)
2. Ledger Folio No D.P. Id.* Client Id*
3. No. of Equity Shares held 4. Signature of the Shareowner/Proxy
attending

To be used only when First named Shareowner is not attending.

Please give full name of the Joint Holders.

1. Mr./Mrs./Miss Signature
2. Mr./Mrs./Miss Signature
(in Block Letters)

NOTES:

- i. Please fill in this attendance slip and hand it over at the entrance of the hall.
 - ii. Shareowners who come to attend the meeting are requested to bring their copies of the Annual Report with them.
 - iii. No gift will be distributed in the aforesaid meeting as per SEBI guidelines.
- * Applicable for members holding shares in electronic form.

TEAR HERE



Regd. Office : "PAN PARAG HOUSE", 24/19, THE MALL, KANPUR - 208 001
CIN: L16008UP1983PLC006254

FORM No. MGT-11

PROXY FORM

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

Name of the Member(s) :	
Registered Address :	
E-mail Id :	
Folio No./Client Id :	
DP ID :	

I/We, being the member(s) of above named company, holding shares, hereby appoint :

1. Name :	
Address :	
E-mail Id :	
Signature :	

or failing him

2. Name :	
Address :	
E-mail Id :	
Signature :	

or failing him

3. Name :	
Address :	
E-mail Id :	
Signature :	

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, to be held on **Monday, 23rd day of September, 2019 at 11:30 A.M. at Hotel Vijay Intercontinental, 10/510, Khalasi Line, Tilak Nagar, Near Rave – 3, Kanpur** and at any adjournment thereof in respect of such resolutions as are indicated below :

** I wish my above Proxy to vote in the manner as indicated in the box below :

Resolution No.	Resolutions	For	Against
Ordinary Business			
1.	To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended 31 st March, 2019 together with the Board of Reports of the Board of Directors' and Auditors' thereon.		
2.	To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31 st March, 2019 together with the Reports of the Auditors' thereon.		
3.	To declare Dividend for the aforesaid financial year.		
4.	To appoint a Director in place of Shri Mitesh Kothari (DIN : 00089076), who retires by rotation and being eligible, offers himself for re-appointment.		
Special Business			
5.	To re-appoint Dr. Avinash Gupta (DIN : 00089371) as an Independent Director.		
6.	To re-appoint Shri Vikas Chaturvedi (DIN : 00089394) as an Independent Director.		
7.	To re-appoint Shri Pramod Kumar Tandon (DIN : 00089344) as an Independent Director.		

Signed thisday of 2019

Signature of Shareholder

Affix
Revenue
Stamp

Signature of 1st Proxy holder

Signature of 2nd Proxy holder

Signature of 3rd Proxy holder

Note :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the meeting.
- 2.** This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.
5. For the resolution and notes please refer to the Notice of the 35th Annual General Meeting.



KOTHARI
PRODUCTS LIMITED

(CIN: L16008UP1983PLC006254)

Regd. Off.: "Pan Parag House", 24/19, The Mall, Kanpur-208 001 (India).

Ph.: 0512-2312171-74, Fax.: 0512-2312058

Visit us on Internet at: <http://www.kothariproducts.in>

Email: info@kothariproducts.in, kothari@kothariproducts.in