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**KOTIA ENTERPRISES LIMITED**

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**Board of Directors**

Mr. Ankit Agarwal : Managing Director  
Mr. Anil Gupta : Chairperson Cum Independent Director  
Ms. Khushboo Agarwal : Independent Director  
Mr. Harshit Agarwal : Non Executive Director  
Mr. Paaven Bansal : Non Executive Director  
  
Mr. Vijay : Company Secretary

**Auditors**

V.N Purohit & Co.,  
Chartered Accountants  
214, New Delhi House, 27,  
Barakhamba Road, New Delhi – 110001

**Secretarial Auditor**

M/s. Kumar A & Associates,  
Company Secretaries  
G- 83, Room No. 204, Laxmi Nagar, Delhi - 110092

**Internal Auditor**

M/s Bansal Bajaj & Associates,  
Chartered Accountants  
235, Upper Ground Floor, Anarkali Bazar,  
Jhandewalan Extn, Delhi - 110055

**Bankers**

HDFC Bank Ltd.  
IDFC Bank Ltd.  
Yes Bank Ltd.

**Registrar & Share Transfer Agent**

Skyline Financial Services Private Ltd.  
D-153/A, First Floor,  
Okhla Industrial Area, Phase – I,  
New Delhi -110020.  
Phone: 011 3085 7575  
Email: [info@skylinerta.com](mailto:info@skylinerta.com)

**Registered & Corporate Office**

905, New Delhi House, 27  
Barakhamba Road, New Delhi - 110001  
Ph. No.011 – 40045955  
Email ID: [compliance@kotiaenterprises.com](mailto:compliance@kotiaenterprises.com)  
Website: [www.kotiaenterprises.com](http://www.kotiaenterprises.com)

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**DIRECTORS' REPORT**

**To  
The Members  
Kotia Enterprises Limited**

Your Board of Directors have pleasure to present the Thirty Eighth Annual Report of the Company together with Audited Financial Statement for the year ended 31<sup>st</sup> March, 2018.

**Operational Performance****Cotton Fabric**

The Company is presently trading in cotton fabric. During the year revenue generated from trading of cotton fabric stood at Rs. 102,427,478. The revenue generated from cotton fabric falls in comparison to previous financial year. The revenue generated in last financial year stood at Rs. 169,696,081.

**Bleached Hardwood Kraft Pulp**

Your company entered into trading of Bleached Hardwood Kraft Pulp. The Revenue generated from Bleached Hardwood is Rs 281,701,552. The Company performed excellent in this sector. The positive response from the market helps in generation of 69% (Approx) Revenue for the company. The positive response motivate the company management for making more R&D in the new segment. Your company is looking for expansion of business operations in this segment in the upcoming financial years.

**Construction and Civil Works**

Your Company operating in construction and civil works traditionally. The Company always leads in providing construction and civil work solutions in the Indian market. The Revenue generated from Construction and civil works not upto the marks in the current financial year. The Revenue generated from the Construction and civil work is Rs. 24,675,865 as against Rs. 106,602,577 for the previous Financial Year 2016 - 2017.

The Total Revenue Generated from all the operations of the company for the current financial year stood at Rs. 408,804,895 as against Rs. 276,298,658 for the previous financial year.

**Financial Highlights (Standalone)****In Rupees**

<b>Particulars</b>	<b>2017 – 2018</b>	<b>2016- 2017</b>	<b>2015 – 2016</b>
<b>Income from Operations</b>	408,804,895	276,298,658	201,620,510
<b>Other Income</b>	6,455,762	4,737,286	4,892,468
<b>Total Income</b>	415,260,657	281,035,944	206,512,978
<b>Total Expenditure</b>	407,642,433	276,802,440	207,723,500
<b>Profit/(loss) before tax</b>	7,618,224	4,233,504	(1,210,522)
<b>Less: Provision for Taxation</b>			
<b>(i) Current Year</b>	1,961,693	(1,177,300)	(179,705)
<b>(ii) Earlier Year Adjustment</b>	-	-	-
<b>(iii) Deferred Tax</b>	(145,942)	(153,972)	560,769
<b>Profit/(Loss) After Tax</b>	5,510,589	2,902,232	(852,153)

Net Profit for the Financial Year Ended 2017 – 2018 stood at Rs. 5,510,589 as against Rs. 2,902,232 for the Financial Year 2016 - 2017.

**Reserves**

During the year under review, no amount has been transferred to General Reserve.

**Capital Structure**

During the year under review, there has been no change in the capital structure of the company.

**Dividend**

The Board of Directors of your company in order to conserve resources, have decided not to recommend any dividend for the Financial Year.

**Cash Flow Statement**

As required by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 Cash Flow Statement for the financial year ended March 31, 2018 is enclosed with the Balance Sheet and Statement of Profit and Loss of the Company.

**Corporate Governance and Management Discussion & Analysis Report**

The Company has been proactive in following the principles and practices of good corporate governance and adhering to the corporate governance requirements as set out by the Securities and Exchange Board of India. A separate section on Corporate Governance & a certificate from the Practising Company Secretary confirming compliance with the corporate governance requirement; and Management Discussion & Analysis Report as stipulated in Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of this Annual Report.

The Managing Director declaration regarding compliance with the Code of Conduct forms part of this Annual Report.

**Changes in Nature of Business, if any**

During the year under review, there was change in nature of the business carried out by the Company. The company was carrying the business of executing turning projects, marketing of pumps, motors, switch gears and any other allied engineering goods servicing thereof and deal in their spare parts etc.

Now, the company from this year onwards entered into the business of buying, selling, reselling, importing, exporting, transporting, storing, developing, promoting, marketing or supplying, trading, dealing in any manner whatsoever in all type of goods on retail as well as on wholesale basis in India or elsewhere etc.

**Capital Projects**

The Company was not working on any kind of capital projects for the financial year 2017-18.

**Internal control systems and their adequacy**

The Company's internal control systems are commensurate with the nature of its Business, its size and complexity of its operations. These are routinely tested and certified by statutory as well as Internal Auditors. Significant audit observations, if any, and follow up actions thereon are reported to the Audit Committee. The findings of Internal Audit are reviewed by the top management and by the Audit Committee of the Board of Directors.

The Statutory Auditors conduct audit covering a wide range of operational matters and ensure compliance with the specified standards.

Based on the Deliberations with the Statutory to ascertain their views on the financial statements including the Financial Reporting System and Compliance to Accounting Policies and Procedures, the Audit Committee was satisfied with the adequacy and effectiveness of the internal controls and systems followed by the Company.

### **Loans, Guarantees or Investments**

Details of Loans, Guarantees and Investments under the provisions of Section 186 of the companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, as on 31<sup>st</sup> March, 2018 are set out in the Standalone Financial Statements forming part of this report.

### **Material Changes and Commitments, If any, Affecting the Financial Position of the Company**

There were no material changes and commitments affecting the financial position of the Company between the end of the financial year to which the financial statements relates and the date of the approval of the Directors Report.

### **Extract of the Annual Return**

Pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return as on 31<sup>st</sup> March, 2018 is enclosed as Annexure "D" to the Directors' Report and also uploaded on the website of the company i.e. [www.kotiaenterprises.com](http://www.kotiaenterprises.com). The link for annual return as follows: <http://www.kotiaenterprises.com/notice-for-shareholders.php>

### **Board Meetings**

During the year under review, Nine Board meetings were held on 04<sup>th</sup> May, 2017, 27<sup>th</sup> May, 2017, 28<sup>th</sup> July, 2017, 04<sup>th</sup> September, 2017, 14<sup>th</sup> September, 2017, 05<sup>th</sup> December, 2017, 19<sup>th</sup> December, 2017, 13<sup>th</sup> February, 2018 and 31<sup>st</sup> March, 2018. The details of the composition of the board and attendance of the directors at the board meeting are provided in the Corporate Governance Report.

### **Audit Committee**

During the year under review Four Audit Committee Meetings were held and all the recommendations of the Audit Committee were accepted by the Board. The details of the composition of the Audit Committee and details of committee meetings are given in the Corporate Governance Report.

### **Nomination and Remuneration Committee and Policy on Nomination, Remuneration and Performance Evaluation**

During the year under review Nomination and Remuneration Committee Meet Four times. The Board has, on the recommendation of the Nomination & Remuneration Committee review policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and employees in the Senior Management. More details of the same including the composition of the Committee are given in the Report on Corporate Governance enclosed as Annexure – “A” to this report.

The nomination and remuneration policy is displayed on the Company’s website.

#### **Stakeholders Relationship Committee**

During the year under review four meetings of stakeholders relationship committee were held. The Committee relationship committee monitored the performance of the share transfer work and recommends measures to improve the level of investor services. In addition, the Committee looks into investors’ grievances such as Annual Reports and other complaints related to share transfers. More details of the same including the composition of the committee are given in this on Corporate Governance enclosed as Annexure – “A” to this Report.

The nomination and remuneration policy is displayed on the Company’s website.

#### **Risk Management**

The provisions for Constituting risk management committee not applicable on the company. Therefore the company did not formulate risk management committee and risk management process carried out by the members of Board.

#### **Vigil Mechanism/Whistle Blower Policy**

The Company in accordance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR) Regulations, 2015 has established a vigil mechanism for directors and employees to report genuine concerns to the management viz. instances of unethical behaviour, actual or suspected, fraud or violation of the Company’s Code of Conduct or Ethics Policy. The Company has already formulated a Whistle Blower Policy (“Policy”) which provides for adequate safeguard against victimization of persons and has a provision for direct access to the Chairperson of the Audit Committee. The Company has not denied any person from having access to the Chairman of the Audit Committee.

#### **Related Party Transactions**

All related party transactions that were entered into during the financial year, u/s 188 of the Companies Act, 2013 were on an arm’s length basis. All related party transactions are approved by the Audit Committee and the Board of Directors. The details of material Related Party transactions in Form AOC-2 are enclosed as Annexure “F”. There were no materially significant related party transactions made by the Company with the Promoters, Directors, Key Managerial Personnel which may have a potential conflict with the interest of the Company at large.

Further, The Company in accordance with the provisions of Section 188 of the Companies Act, 2013 and Regulation 23 of SEBI (LODR) Regulations, 2015 formulated a policy on Materiality of Related Party Transactions in accordance with SEBI (LODR) Regulations, 2015. The Policy on Materiality of related party transaction is available on website of the company.

#### **Subsidiary, Associate and Joint Venture**

The company does not have any subsidiary company. Therefore, the company not required to follow the provisions of companies act, 2013 and SEBI (LODR) Regulations, 2015 pertaining to Subsidiary, associate and joint venture companies.

**Particulars of employees and related disclosures**

The information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request by the shareholders.

The Report and Accounts pursuant to section 136 of the Companies Act, 2013 are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company in this regard.

**Corporate Social Responsibility (CSR)**

The Board of Directors needs not to constitute a CSR Committee and also there is no requirement to approve the CSR Policy.

**Directors and Key Managerial Personnel**

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 27 of SEBI (LODR) Regulations, 2015.

In accordance with the provisions of Regulation 25(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company organizes familiarization programme for Independent Directors as and when required.

A brief profile and details of other directorships and committee memberships of Directors are given in the Report on Corporate Governance attached as Annexure "A" to this report.

Corporate Governance Report also contains other information on the directors, board and Committee Meetings.

**Performance Evaluation**

Pursuant to the provisions of the Section 134, 178 and Sch. IV of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the following performance evaluations were carried out;

- a. Performance evaluation of the Board, Chairman and non-Independent Directors by the Independent Directors;
- b. Performance evaluation of the Board, its committees and Independent Directors by the Board of Directors; and
- c. Performance evaluation of every director by the Nomination and Remuneration Committee.

The details of Annual Performance evaluation carried out are given in the Corporate Governance Report attached as Annexure "A" to this report.

**Fixed Deposits**

During the Financial Year 2017 -18, your company has not invited or accepted any deposits from the public and as such, no amount on account of principal or interest on public was outstanding as on the date of the Balance Sheet. .

**Details of significant and material orders passed by the regulators or courts**

There are no significant material orders passed by the courts/regulators or tribunals impacting the going concern status and company's operations in future. The details pertaining to various demand notices from various statutory authorities are disclosed in Note to financial statements under the heading – Contingent Liabilities.

**Adequacy of internal financial controls with reference to financial statements**

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. The Company has designed and put in place adequate Standard Operating Procedures and Limits of Authority Manuals for conduct of its business, including adherence to Company's policies, safeguarding its assets, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The Company uses a system to record data for accounting and managing information with adequate security procedure and controls.

**Disclosure Requirement**

Your Company has complied with all the mandatory SEBI Listing Regulations. The Report on Corporate Governance is enclosed as Annexure "A" to this report. Declaration by the Managing Director is enclosed as Annexure "B", the Management Discussion and Analysis is enclosed as Annexure "C" and Secretarial Audit Report is enclosed as Annexure "E" to this report.

**Statutory Auditors**

As per section 139 of the Companies Act, 2013 and Rules made there under, M/s. V.N Purohit & Co., Chartered Accountants, New Delhi were appointed as Statutory Auditors from the conclusion of the Thirty Sixth Annual General Meeting till the conclusion of the Forty One Annual General Meeting subject to ratification by the members at every Annual General Meeting. The Board, based on the recommendation of the Audit Committee recommends ratification of appointment of M/s. V.N Purohit & Co. as Statutory Auditors of the Company and to authorize the Board to fix the remuneration for the year 2017-18. The Report does not contain any qualification, reservation or adverse remark or disclaimer made by the Statutory Auditors.

During the year under review, there were no frauds reported by the auditors to the Audit Committee or the Board under section 143(12) of the Companies Act, 2013:-

**Cost Audit**

Cost Audit is not applicable on the company as per the Companies Act, 2013.

**Secretarial Audit**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed



Mr. Amit Kumar, Practicing Company Secretary as Secretarial Auditor, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year 2017-18 is enclosed as **Annexure “E”** to this Directors’ Report.

**Disclosure As Per Section 22 Of The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013:**

As per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment. There were no complaints/cases filed/pending with the Company during the year.

Number of Complaints Received During the Year – Nil

**Employees’ Stock Option Scheme**

The Company has not provided any Stock Option Scheme to the employees.

**Rights Issue of Shares**

No Right Issue was made during the financial year 2017-18.

**Consolidated financial statements under section 129 of the companies act, 2013**

Company not required consolidate its accounts.

**The Details of Directors or Key Managerial Personnel Who Were Appointed during The Period**

S.No.	Name	Designation	Date of Appointment/Cessation	Reasons
1.	Mr. Harshit Agarwal	Additional Director	03/04/2018	Appointment
2.	Mr. Paaven Bansal	Additional Director	03/04/2018	Appointment

The requisite notices from members alongwith the deposit of requisite amount under Section 160 of the Act, proposing the candidature of each of them as Directors have been received by the Company. The Board recommends their respective appointments. The appointment of these Directors is being placed before the Members for their approval.

**Corporate Governance**

Since, the paid- up capital of the Company is less than Rs. 10 Crores and Net worth is less than Rs. 25 Crores, the provisions of the Corporate Governance as stipulated under Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company. However, your Company has made every effort to comply with the provisions of the Corporate Governance and to see that the interest of the Shareholders and the Company are properly served. It has always been the Company’s endeavor to excel through better Corporate Governance

and fair & transparent practices, many of which have already been in place even before they were mandated by the law of land.

The management of Company believes that it will further enhance the level of Corporate Governance in the Company. Further the company for best corporate practices complied with Various Provisions of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and a report in this respect attached as Annexure “A”

**Particulars of Employees and Related Disclosures**

The information 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 are given below:

- i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year: Not Applicable, as no remuneration was paid to any Director during the financial year under review.
- ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: Not Applicable as the Company has not paid any remuneration to Directors during the financial year under review. Further, there is no increase in the remuneration of CFO and Company Secretary and Compliance officer of the Company during the year.
- iii) The percentage increase in the median remuneration of employees in the financial year: Not Applicable
- iv) The number of permanent employees on the rolls of company: 3
- v) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Nil
- vi) the key parameters for any variable component of remuneration availed by the directors: Nil
- vii) affirmation that the remuneration is as per the remuneration policy of the company: It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

**DISCLOSURE UNDER RULE 5 (2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OR MANAGERIAL PERSONNEL) RULES, 2014**

There is no directors/employees in the Company for which disclosure have to be made under the provisions of Rule 5 (2) & (3) of the Companies (Appointment and Remuneration or Managerial Personnel) Rules, 2014.

A. Details of Top ten employees in terms of remuneration drawn:

Name & Designation	Age (in Years)	Remuneration Received	Nature of Employment	Qualification & Experience	Date of commencement of	Last Employment	% of Equity Share held	Whether related to

					Employment			Direct or or Manager
Mr. Vijay, Company Secretary	25	2,46,289	Whole Time	Company Secretary	04.09.2017	Avtar Instalm ents Private Limited	Nil	No
Mr. Pankaj Kumar Sharma, Accounts Head	39	2,25,624	Whole Time	Graduation		-	Nil	No
*Ms. Payal Saxena, Company Secretary	27	96,104	Whole Time	Company Secretary	04.05.2017	-	Nil	No
*Mr. Vikrant Singh Tomar, Accountant	27	46,083	Whole Time	B.COM	01.04.2016	-	Nil	No
Ms. Pooja Tyagi, Company Secretary Trainee	27	30,000	Whole Time	B.COM, Company Secretary (Final Passed)	28.07.2017	-	Nil	No

\*Resigned during the year.

Note:

B. Details of other employees under aforesaid Rules:

Nil.

C. Statement showing the name of every employee of the company, who

a. if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;

- None

b. if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month;

- None

c. if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

- None

### **Conservation Of Energy/Technology Absorption/Foreign Exchange Earnings And Outgo**

#### **A. Conservation of Energy**

Company has limited scope for undertaking energy conservation exercises, but nevertheless continues to emphasize work practices that result in conservation of energy. At the offices of your Company, special emphasis is placed on installation of energy-efficient lighting devices, use of natural light as best as possible, and adoption of effective procedures for conservation of electricity, water, paper and other materials that consume natural resources.

#### **B. Technology Absorption**

Company did not absorb any new Technology during the financial year.

#### **C. Foreign Exchange and Outgo:**

There was no foreign exchange inflow or Outflow during the year under review.

### **Environment and Safety**

The company conducts various promotional activities related to Safety, Health & Environment during National safety week, Road safety week & Fire service day. Quiz & poster contest, live demonstration of fire fighting techniques, domestic & household safety for the students of neighbouring schools, employees children and people residing in surrounding community are taken up during those days.

As part of the safety performances following parameters were considered:

- Health & Safety Management systems
- Workers participation in Health & Safety
- Health & Safety Training
- Work Permit, tag out & lock out systems
- Internal & External Safety auditing, review process
- Promotion of safety & health at work place
- Community awareness programs
- Safety of the contract workers

### **Directors' Responsibility Statement**

To the best of our knowledge and belief and according to the information and explanation obtained by us, your Directors make the following statements in terms of provisions of Section 134 (5) of the Companies Act, 2013, and hereby confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation material departures;
- (b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Acknowledgements**

Your Directors wish to place on record their appreciation for the dedication, commitment and contribution of all stakeholders and employees of your Company.

**For and on behalf of the Board  
Kotia Enterprises Limited**

Sd/-

Sd/-

**Place: New Delhi  
Date: 30.08.2018**

**Ankit Agarwal  
Managing Director  
DIN: 05254327**

**Khushboo Agarwal  
Director  
DIN: 06792261**

**Annexure 'A' to the Directors' Report - Report on Corporate Governance****Company's Philosophy on the Code of Corporate Governance**

Corporate Philosophy of the Company is to increase shareholder value, providing quality services and other preserving and protecting the environment and ensuring a healthy neighbourhood.

The Company's Philosophy on Corporate Governance envisages an attainment of the highest level of transparency and accountability. It is aimed at safeguarding and adding value to the interests of various stakeholders. The Company is committed to the best Corporate Governance and continues with its initiatives towards the best Corporate Governance practices.

**Board of Directors**

The Board of Directors of the Company comprises 3 members including, the Managing Director and Non-Executive Directors. Half of the Board comprises of Independent Directors and Non-Executive Directors. The other related information concerning the Board is given hereunder. During the year under review, Nine Board meetings were held on 04<sup>th</sup> May, 2017, 27<sup>th</sup> May, 2017, 28<sup>th</sup> July, 2017, 04<sup>th</sup> September, 2017, 14<sup>th</sup> September, 2017, 05<sup>th</sup> December, 2017, 19<sup>th</sup> December, 2017, 13<sup>th</sup> February, 2018 and 31<sup>st</sup> March, 2018.

Attendance of each Director at the Board of Directors' meetings and at the last Annual General Meeting along with the number of other Companies and Committees where he is a Chairman / Member is given hereunder:

Director	Category of Director-ship #	No. of Director-ships in other Companies**	No. of Board Meetings Attended	No. of shares held	Attendance at last AGM	No. of Board Committees of other Companies. *	
Mr. Ankit Agarwal	PROMOTE R, MD	NA	9	336200	Yes	-	-
Mr. Anil Gupta	I, NED	NA	9	-	Yes	-	-
Ms. Khusbhoo Agarwal	I, NED	1	9	-	Yes	-	-

# MD-Managing Director, I-Independent, NED-Non -Executive Director

\* Includes Audit Committee and Stakeholders' Relationship Committee.

\*\* Includes Directorship in other public and private Companies.

**Board Agenda**

The Board meetings are scheduled well in advance and the Board members are generally given at least 7 days notice prior to the meeting date. All major items are backed by in-depth background information and analysis, wherever possible, to enable the Board members to take informed decisions.

**Formal letter of appointment to Independent Directors**

The Company issued a formal letter of appointment to all Independent Directors at the time of appointment in accordance with the provisions of the Companies Act, 2013 and Listing Regulations. The terms and conditions of appointment of Independent Directors were uploaded on the company's website.

**Annual Performance evaluation**

Pursuant to the provisions contained in Companies Act, 2013 and Schedule IV (Section 149(8)) of the Companies Act, 2013, the Annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly the Directors evaluation was carried out on the basis of questionnaire containing criteria such as level of participation by individual directors, independent judgement by the director, understanding of the Company's business, etc.

The performance evaluation of the Board and the Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee was done by all the Directors. The performance evaluation of the Independent Directors was carried out by the Board excluding the Director being evaluated. The performance evaluation of the Chairman and Executive Directors was carried out by all the Independent Directors. The Directors expressed their satisfaction over the entire evaluation process.

**Independent Directors' Familiarization Programme**

The Company in compliance with Regulation 25(7) of SEBI (LODR) Regulations, 2015 has formulated a programme to familiarize the Independent Directors with the company, their roles, and responsibilities. The Independent Directors are given detailed presentation on the operations of the company on quarterly basis at the meetings of the Board/Committees. The details of the familiarization programme have been disclosed on the Company's website.

**Board Diversity Policy**

The Company in compliance with Regulation 19(4) of SEBI (LODR) Regulations, 2015 has formulated a policy on Board Diversity which sets out the framework to promote diversity on Company's Board of Directors. The Policy was recommended by Nomination and Remuneration Committee and approved by the Board.

**Independent Directors' Meeting**

In compliance with Schedule IV to the Companies Act, 2013 and regulation 25(3) of the SEBI Listing Regulations, 2015, During the year the Meeting of the Independent Directors were held on 13<sup>th</sup> February, 2018, without the attendance of non-independent directors and members of the Management, inter alia, to discuss the following:

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.

### **Board Committees**

The Committees of the Board are as follows

#### **Audit Committee**

The Audit Committee comprises two independent Directors and one Executive Director. The Company Secretary is the Secretary of the Committee. During the year, 4 meetings were held on 27<sup>th</sup> May, 2017, 14<sup>th</sup> September, 2017, 05<sup>th</sup> December, 2017, 13<sup>th</sup> February 2018.

#### **Terms of Reference**

As per Regulation 18(3) of SEBI (LODR) Regulations, 2015 and Schedule II the terms of reference and role of the Audit Committee includes among other things, review of the Company's financial reporting process and its financial statements, review of the accounting and financial policies and practices, the internal control and internal audit systems (including review and approval of Internal Audit plan, appointment of Internal Auditors and review of internal audit reports), risk management policies and practices, review the functioning of the Whistle Blower mechanism, etc. The role also includes making recommendations to the Board, re-appointment of Statutory Auditors/Secretarial Auditors and fixation of audit fees.

Besides above, the additional terms of reference of Audit Committee as per the Companies Act, 2013 includes reviewing and monitoring auditor's independence and performance, and effectiveness of audit process; examination of the financial statement and the auditor's report thereon; approval or any subsequent modification of transactions of the company with related parties; scrutiny of inter- corporate loans and investments; valuation of undertakings or assets of the company, wherever it is necessary.

#### **The Composition of Committee & their attendance at the meetings are as follows**

<b>Names of the members</b>	<b>Status</b>	<b>Nature of Directorship</b>	<b>No. of meetings attended</b>
Ms. Khushboo Agarwal	Member	Non- Executive Independent Director	4
Mr. Anil Gupta	Chairman	Non- Executive Independent Director	4
Mr. Ankit Agarwal	Member	Managing Director	4



**Nomination and Remuneration Committee**

The Nomination and Remuneration Committee comprises three Directors out of which two are Independent Directors. The Board has designated Company Secretary as Secretary of the Committee. The Committee met 3 times during the financial year ended 31<sup>st</sup> March, 2018 on 27<sup>th</sup> May, 2017, 05<sup>th</sup> December, 2017, 13<sup>th</sup> February, 2018.

**Terms of Reference**

The Board has constituted the Nomination & Remuneration Committee, as required under the Companies Act, 2013. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees. The Nomination & Remuneration Committee shall also formulate criteria for evaluation of Independent Directors and the Board and devise a policy on Board diversity. It shall identify 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 their appointment and for removal.

**The Composition of Committee & their attendance at the meetings are as follows**

<b>Name of the member</b>	<b>Status</b>	<b>Nature of Directorship</b>	<b>No. of meetings attended</b>
Ms. Khushboo Agarwal	Chairman	Non- Executive Independent Director	3
Mr. Anil Gupta	Member	Non- Executive Independent Director	3
Mr. Ankit Agarwal	Member	Managing Director	1

**Details of Remuneration to all the Directors for the year**

Payment of remuneration to the Managing Director was as recommended by the Nomination and Remuneration Committee and subsequently approved by the Board and the Shareholders of the Company. The remuneration comprises salary, incentives, bonus, performance incentives, contribution to the Provident Fund, Superannuation Fund, Gratuity and others.

**In Rupees**

<b>Managing Director</b>	<b>Salary including joining bonus</b>	<b>Perquisites</b>	<b>Retirement benefits</b>	<b>Total Remuneration</b>
Mr. Ankit Agarwal	3,45,000	-	-	3,45,000

No commission was paid to Mr. Ankit Agarwal during the financial year.

**Sitting fees paid to Non-Executive Directors:**

The Non-Executive Directors of the Company receive remuneration by way of sitting fees. The details of sitting fees paid to the Non Executive Directors during the financial year ended 31<sup>st</sup> March, 2018 for attending the meetings of the Board and the Committees thereof is given below:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Amount in (Rs.) p.a</b>
1.	Ms. Khushboo Agarwal	-
2.	Mr. Anil Gupta	-

**Pecuniary relationship of Directors:**

During the financial year, none of the Directors of the Company had any material pecuniary relationship(s) or transaction(s) with the Company, its Promoters, its Senior management, apart from the following:

- a) Remuneration paid to the Managing Director and Sitting Fees paid to the Non – Executive Directors;
- a) Reimbursement of expenses incurred by the Directors in discharging their duties;
- b) Mr. Ankit Agarwal is holding equity shares of the Company, details of which are given in this Report.

**Stakeholders' Relationship Committee**

Stakeholders' Relationship Committee comprises two Independent Directors and Executive Director. The Board has designated Company Secretary as the Compliance Officer. The Committee met 4 times during the financial year ended 31<sup>st</sup> March, 2018 on 29<sup>th</sup> April, 2017, 26<sup>th</sup> July, 2017, 19<sup>th</sup> October, 2017, and 22<sup>nd</sup> January, 2018.

**Terms of Reference**

The Board has constituted Stakeholders' Relationship Committee which oversees the performance of the share transfer work and recommends measures to improve the level of investor services. In addition, the Committee looks into investors' grievances such as Annual Reports and other complaints related to share transfers.

The complaints received from the shareholders during the year were duly addressed. There were no outstanding complaints or share transfers pending as on 31<sup>st</sup> March, 2018.

**The attendance of the members at the meeting is as follows**

<b>Name of the member</b>	<b>Status</b>	<b>Nature of Directorship</b>	<b>No. of meetings attended</b>
---------------------------	---------------	-------------------------------	---------------------------------

Ms. Khushboo Agarwal	Chairman	Non- Executive Independent Director	4
Mr. Anil Gupta	Member	Non- Executive Independent Director	4
Mr. Ankit Agarwal	Member	Managing Director	4

**10. Annual General Meetings:****a) Details of the previous 3 Annual General Meetings (AGM) are as follows:**

<b>Year</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>	<b>Whether any special resolutions have been passed</b>
2016-17	116, Surya Kiran Building , 19 K.G. Marg, New Delhi-110001	29.09.2017	11:30 A.M	Yes
2015-16	Flat No. 112, Antriksh Bhawan, 22 KG Marg, New Delhi-110001	30.09.2016	04:00 P.M	No
2014-15	Flat No. 112, Antriksh Bhawan, 22 KG Marg, New Delhi-110001	30.09.2015	04:00 P.M	No

**Details of Special resolutions passed at the AGM**

Special Resolutions passed in the Annual General Meetings (AGM) held during the last three financial years are as follows:

<b>Financial Year</b>	<b>Date of AGM</b>	<b>Particulars of Special Resolution passed</b>
2016-17	29.09.2017	YES
2015-16	30.09.2016	NA
2014-15	30.09.2015	NA

**Details of Special Resolutions passed through Postal Ballot during the financial year 2016-17**

<b>Date of Postal Ballot Notice</b>	<b>Details of the Resolution passed</b>	<b>Result of the Postal Ballot</b>
07-12-2016	1. Approval of the Members for alteration to the object clause of the Memorandum of Association of the Company.	Special Resolution has been passed by the shareholders with requisite majority.
07-12-2016	2. Approval of the members for Change of Name of the company.	Special Resolution has been passed by the shareholders with requisite majority.
07-12-2016	3. Approval of the members for Appointment of Managing Director.	Special Resolution has been passed by the shareholders with requisite majority.

Mr. Amit Kumar, Practicing Company Secretary was the Scrutinizer to conduct the Postal Ballot process.

**Disclosures**

- a) The Company has put in place a Vigil mechanism and adopted the Whistle Blower Policy and affirms that no person has been denied access to the Audit Committee. The information on Vigil mechanism is placed on the website of the Company.
- b) The Company has formulated a policy on dealing with Related Party transactions and the same is disclosed on the Company's website.

**Means of communication****a. Quarterly Results:**

Quarterly results are published in one English National Daily and Local dailies, published in the language of the region where the registered office of the company is located.

**b. Web-site on which the results are displayed: [www.kotiaenterprises.com](http://www.kotiaenterprises.com)**

The Company does not publish official news-releases on its website. The presentations made to institutional investors and analysts are uploaded on the Company's website.

**Code of Conduct**

The Company has adopted a Code of Conduct for the Directors and Senior Executives of the Company. The code promotes conducting business in an ethical efficient and transparent manner so as to meet its obligations to its shareholders and all other stakeholders. The code has set out a broad policy for one's conduct in dealing with the Company, fellow Directors and employees and the external environment in which the Company operates.

The declaration given by the Managing Director of the Company with respect to the affirmation of compliance of the code by the Board of Directors and Senior Executives of the Company is enclosed as **Annexure "B"** to this report.

#### **Code of internal procedures and conduct for trading in securities of the Company**

The Company has adopted a code of Prevention of Insider Trading in securities of the Company. Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has designated Company Secretary, as the Compliance Officer and has authorised Managing Director to monitor compliance of said Regulations.

#### **General Shareholders Information**

##### **a) Annual General Meeting :**

The Annual General Meeting of the Company will be held on Friday, the 28<sup>th</sup> day of September, 2018 at 905, New Delhi House, 27, Barakhamba Road, New Delhi – 110001.

##### **b) Financial Year: 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018**

##### **c) Financial calendar (Tentative):**

<b>Financial Period</b>	<b>Declaration of Financial Results</b>
Results for the quarter ended 30 <sup>th</sup> June, 2018	Within 45 days of the end of the quarter or such prescribed period
Results for the half-year ended 30 <sup>th</sup> Sept. 2018	Within 45 days of the end of the quarter or such prescribed period
Results for the quarter ended 31 <sup>st</sup> Dec. 2018	Within 45 days of the end of the quarter or such prescribed period
Audited Annual Results 2018-19	Within 60 days of the end of the quarter or such prescribed period

**d) Date of book closure:** Saturday, 22<sup>nd</sup> day of September, 2018 to Friday, 28<sup>th</sup> day of September, 2018 (inclusive of both days).

**e) Dividend payment date:** No dividend is issued by the company under the Companies Act, 2013.

**f) Management Discussion and Analysis forms part of this Report as Annexure ‘C’**

**g) Listing on Stock Exchanges:** Company’s shares are presently listed on:

BSE Limited, Mumbai: 539599 BSE Limited, Mumbai BSE Limited (Bombay Stock Exchange) Phiroze Jeejeebhoy Towers Dalal Street, MUMBAI – 400 023	Metropolitan Stock Exchange of India Limited, Mumbai: KEL MESI (Metropolitan Stock Exchange of India Limited) Vibgyor Towers, 4th Floor, Plot No C-62, Opp. Trident Hotel Bandra Kurla Complex, Bandra (E), Mumbai – 400098
Depository Connectivity	NSDL and CDSL
Listing Fees	Paid for Bothe the Exchanges for the financial year 2018 – 19.
Registered office	905, New Delhi House, 27, Barakhamba Road, New Delhi – 110001
Corporate Identification Number	L74110DL1980PLC010678
International Standard Identification Number (ISIN): INE079C01012	

**h) Stock Market Data**

(a) Monthly High and Low Along With Volume Of Shares

S. No	Month	Bombay Stock Exchange (BSE)			Metropolitan Stock Exchange of India Limited (MSEI)		
		High	Low	Volumes	High	Low	Volumes
1	April, 2017	28.40	27.60	230820	Not Traded		
2	May, 2017	29.05	27.70	208570	Not Traded		
3	June, 2017	31.15	29	124844	Not Traded		
4	July, 2017	33.85	30.40	127602	Not Traded		
5	August, 2017	35.45	31.30	73322	Not Traded		
6	September, 2017	31.90	27.55	96707	Not Traded		
7	October, 2017	30.90	28.50	98234	Not Traded		
8	November, 2017	31.50	25	397927	Not Traded		
9	December, 2017	24.40	20.60	273287	Not Traded		
10	January, 2018	20.20	16.55	236740	Not Traded		
11	February, 2018	16.40	15.75	90885	Not Traded		
12	March, 2018	17.55	15.80	872609	Not Traded		

(b) Distribution of Shareholding as on March, 31, 2018 (Amount Wise)

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
<b>(Rs.)</b>			<b>(Rs.)</b>	

1	2	3	4	5
Up To 5,000	316	52.93	663730	0.95
5001 To 10,000	50	8.38	449550	0.64
10001 To 20,000	44	7.37	771510	1.1
20001 To 30,000	22	3.69	601450	0.86
30001 To 40,000	28	4.69	988790	1.41
40001 To 50,000	17	2.85	838800	1.19
50001 To 1,00,000	63	10.55	4576090	6.52
1,00,000 and Above	57	9.55	61315080	87.34
<b>Total</b>	<b>597</b>	<b>100</b>	<b>70205000</b>	<b>100</b>

**i) Shareholding Pattern as on 31<sup>st</sup> March, 2018**

Category	No. of shares held	% shareholding
Promoters	3,36,200	4.79%
Banks/Financial Institutions and Insurance Companies		
Foreign Institutional Investors		
Mutual Funds		
NRIs/OCBs		
Private Bodies Corporate	47,00,417	66.95
Public	19,83,883	28.26
<b>TOTAL</b>	<b>70,20,500</b>	<b>100</b>

The securities of the Company were not suspended from trading during the year

**j) Commodity price risk or foreign exchange risk and hedging activities**

As the Company is not engaged in business of commodities which are traded in recognized commodity exchanges, commodity risk is not applicable. Foreign Currency Exchange risk is also not applicable.

**k) Dematerialization of shares and liquidity**

65,83,800 equity shares (93.77%) have been dematerialized as on 31<sup>st</sup> March, 2018.

**l) Share Transfer System**

The Share Transfers in physical mode are approved by Stakeholders' Relationship Committee.

The Company has authorized the Company Secretary to approve share transfers with a view to expedite the process of share transfers.

**m) The Address for correspondence is**

Shareholders are requested to write to the Company or the Share Transfer Agents at the following address

<b><u>Company's Address</u></b> Kotia Enterprises Limited 905, New Delhi House, 27, Barakhamba Road, New Delhi-110001. Ph. No.011-40045955 Email ID: <a href="mailto:compliance@kotiaenterprises.com">compliance@kotiaenterprises.com</a>	<b><u>Registrar and Share Transfer Agent</u></b> Skyline Financial Services Private Ltd. D-153/A, First Floor, Okhla Industrial Area, Phase – I, New Delhi -110020. Phone: 011 3085 7575 Email: <a href="mailto:info@skylinerta.com">info@skylinerta.com</a>
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The Company maintains an email id [compliance@kotiaenterprises.com](mailto:compliance@kotiaenterprises.com) to redress the Investor's Grievances as required under Regulation 13 of SEBI (LODR) Regulations, 2015. The correspondence received under this e-mail id is monitored and addressed on a daily basis.

**n) Other Disclosures**

- i. All transactions entered by the Company with its related parties during the Financial Year 2017 - 18 were on arms' length basis. The disclosure of material related party transactions u/s 188 of the Companies Act, 2013 in Form AOC-2 is enclosed as Annexure F of the Directors Report. There was no material transactions related party transactions during the year which was in conflict with the Interest of the Company. The Board has approved a policy for related party transactions which can be accessed at the Company's website.: [www.kotiaenterprises.com](http://www.kotiaenterprises.com)
- ii. The Company has complied with the requirements of the Stock Exchanges/ SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by these Authorities.
- iii. The Company has complied with the requirements specified in SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.
- iv. The Company has also formulated a Whistle Blower Policy ("Policy") which provides for adequate safeguard against victimization of persons and has a provision for direct access to the Chairperson of the Audit Committee. The Company has not denied any person from having access to the Chairman of the Audit Committee.
- v. The Company has Related Party Transaction Policy which is available on the website of the Company.
- vi. Pursuant to Regulation 36 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Standard 1.2.5 of SS-2, Secretarial Standard on General Meetings



Name of Director	Mr. Ankit Agarwal
DIN	05254327
Date of Birth	21/01/1986
Qualification	M.COM
Date of Appointment on the Board	20/07/2016
Experience & Brief profile and nature of their expertise in specific functional areas	9 Years experience in Trading Activities
Directorship held in other companies	Nil
Membership/Chairmanship of committees across all other public companies	Nil
Relationship with other Directors/Manager/Key Managerial Personnel	Having blood relationship with Mr. Harshit Agarwal, Additional Director of the company
Shareholding of the Company (Promoter Group)	4.79%
No of Board Meeting Attended during the Financial Year 2017 – 18	9

Mr. Ankit Agarwal along with his relatives holds 3,36,200 equity shares of Rs. 10/- each in the Company as on date of the notice of AGM and is interested in passing of this resolution to the extent of his directorship and said shareholding, respectively.

**ANNEXURE 'B' TO THE DIRECTORS' REPORT**

**DECLARATION BY THE MANAGING DIRECTOR**

Pursuant to Regulation 26(3) of SEBI (LODR) Regulations, 2015, I Ankit Agarwal, Managing Director of Kotia Enterprises Limited, declare that all Board Members and Senior Executives of the Company have affirmed their compliance with the Code of Conduct and Ethics during the year 2017-18.

Sd/-

Place: New Delhi

**ANKIT AGARWAL**

Date: 30<sup>th</sup> May, 2018

**MANAGING DIRECTOR**

**Annexure 'C' to the Directors' Report****MANAGEMENT DISCUSSION AND ANALYSIS****GLOBAL ECONOMIC BACKDROP:**

Global economic activity is picking up with a long awaited cyclical recovery in investment, manufacturing, and trade. World growth is expected to rise from 3.1 percent in 2016 to 3.5 percent in 2017 and 3.6 percent in 2018. Stronger activity and expectations of more robust global demand, coupled with agreed restrictions on oil supply, have helped commodity prices recover from their troughs in early 2017. Higher commodity prices have provided some relief to commodity exporters and helped lift global headline inflation and reduce deflationary pressures. Financial markets are buoyant and expect continued policy support in China and fiscal expansion and deregulation in the United States. If confidence and market sentiment remain strong, short-term growth could indeed surprise on the upside. Structural problem such as low productivity growth and high income inequality are likely to persist. Inward-looking policies threaten global economic integration and the cooperative global economic order, which have served the world economy, especially emerging market and developing economies well.

A faster-than-expected pace of interest rate hikes in the United States could tighten financial conditions elsewhere, with potential further U.S. dollar appreciation straining emerging market economies with exchange rate pegs to the dollar or with material balance sheet mismatches. More generally, a reversal in market sentiment and confidence could tighten financial conditions and exacerbate existing vulnerabilities in a number of emerging market economies, including China—which faces the daunting challenge of reducing its reliance on credit growth. A dilution of financial regulation may lead to stronger near-term growth but may imperil global financial stability and raise the risk of costly financial crises down the road. In addition, the threat of deepening geopolitical tensions persists, especially in the Middle East and North Africa. Against this backdrop, economic policies have an important role to play in staving off downside risks and securing the recovery, as stressed in previous WEOs. Credible strategies are needed in many countries to place public debt on a sustainable path. Adjusting to lower commodity revenues and addressing financial vulnerabilities remain key challenges for many emerging market and developing economies. The world also needs a renewed multilateral effort to tackle a number of common challenges in an integrated global economy.

China's Growth remains high but is gradually moderating as the population ages and the economy rebalances from investment to consumption, from external to internal demand and from manufacturing to services. Orderly rebalancing requires addressing corporate overleveraging, overcapacity in real estate and heavy industries, and debt-financed over-investment in asset markets. Corporate governance is being strengthened, including for state-owned enterprises, through enhanced external monitoring and internal control, though on-the-ground progress needs to accelerate.

**Internal Control Systems and their Adequacy:**

The company has adequate systems of internal control in place, which is commensurate with its size and the nature of its operations. These are designed to provide reasonable assurance with respect to maintaining reliable financial and operational information, complying with applicable statutes, executing transactions with proper authorisation coupled with ensuring compliance of corporate

policies through documented Standard Operating Procedure (SOP) and Limits Of Financial Authority Manual (LOAM). These documents are reviewed and updated on an ongoing basis to improve the internal control systems and operational efficiency. The company uses a system to record data for accounting and managing information with adequate security procedure and controls.

The Company, through its own internal audit department supported by an external audit firm, carried out periodic audits based on the plan approved by the audit committee and brought out any deviations to internal control procedures. The observations arising out of audit are periodically reviewed and compliance ensured. The summary of the internal audit observations and status of implementation are submitted to the audit committee. The status of implementation of the recommendations is reviewed by the audit committee on a regular basis.

**Enterprise Risk Management (ERM):**

Company's ERM framework encompasses practices relating to identification, assessment, monitoring and mitigation of strategic, operational, financial and compliance related risks. The coverage includes both internal and external factors. The risks identified are prioritised based on their potential impact and likelihood of occurrence. Risk register and internal audit findings also provide input for risk identification and assessment. The prioritised risks along with the mitigation plan are discussed with the Board Committees on periodic basis.

The Company has, during the year internally conducted the Risk Assessment exercise for reviewing the existing processes of identifying, assessing and prioritizing risks. Mitigation plans have been defined for the prioritised risks and same are being reviewed for adherence periodically.

The Risk Management Committee shall periodically review the risks and report to the Board of Directors from time to time.

**Material development in human resources:**

People remain the most valuable asset of your Company. Your Company is professionally managed with senior management personnel having rich experience and long tenure with the Company. Your Company follows a policy of building strong teams of talented professionals. Your Company encourages, appreciates and facilitates long term careers. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. The Company continues to focus on training programs for skill development, compliance and improved customer experience.

**Financial Review:**

The Company's overall financial performance for the year 2017-18 has improved significantly. The total revenues from operations in 2017 - 18 stood at Rs. 408,804,895 as compared to Rs. 276,298,658 in 2016 - 17. The Company had a profit before tax of Rs. 7,678,224 in 2017 - 18 as compared to a profit before tax of Rs. 4,233,504 for 2016 - 17. The profit after tax for 2017-18 was at Rs. 5,510,589 as against a Profit after tax of Rs. 2,902,232 for 2016-17.

**Opportunities and Threats:**

The Company is mainly exposed to market risk (including liquidity risk), interest risk and credit risk. However prudent business and risk management practices followed by the company over the years

helps its to manage normal industry risk factors, which inter alia includes economic/ business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk.

The Company is confident of managing these risks by observing a conservative financial profile in investment are trading of securities business.

Indian Economy will see reasonable growth of in the near terms of inflation, oil prices, budget deficits, interest rates, commodity prices and infrastructural bottlenecks remains area of concern.

The sheer unpredictable nature of the markets makes investments a risky proposition. An investment company has to live with the fear of falling markets and movement of the sensex. However, the company hopes to improve its performance on the strength of its long experience and its strong emphasis on the fundamentals.

Your management has got ample exposure of the capital markets, which provide us an opportunity to make safer and profitable investments with minimum risks.

**Cautionary Statement:**

There are certain statements in this report which the Company believes are forward looking. The forward looking statements stated in this report could significantly differ from the actual results due to certain risks and uncertainties, including but not limited to economic developments, Government actions, etc.

**Annexure 'D' To the Directors Report****MGT-9****Extract of Annual Return**

**As on the financial year ended on 31.03.2018 (Pursuant to sec 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014)**

**I. CORPORATE INFORMATION:**

i)	CIN:-	L74110DL1980PLC010678
ii)	Registration Date:	19.07.1980
iii)	Name of the Company	KOTIA ENTERPRISES LIMITED
iv)	Category / Sub-Category of the Company	COMPANY LIMITED BY SHARES
v)	Address of the Registered office and contact details	905, New Delhi House, 27, Barakhamba Road, New Delhi-110001
vi)	Whether listed company	YES
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	SKY LINE FINANCIAL SERVICES PRIVATE LIMITED  D-153, 1ST FLOOR OKHLA INDUSTRIAL AREA, PHASE-I, NEW DELHI - 110 020.  TEL: 02681268

**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:-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Trading of Cotton fabrics	99611319	25.05
2.	Trading of Bleached Hardwoodcraft Pulp	99883210	68.90

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL****IV. SHARE HOLDING PATTERN**

(Equity Share Capital Breakup as percentage of Total Equity)

**i) Category-wise Share Holding**

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A</b>	<b>Promoter s</b>									
	<b>1 Indian</b>									
	a) Individual/ HUF	336200	-	336200	4.79	336200	-	336200	4.79	-
	b) Central Govt	-	-	-	-	-	-	-	-	-
	c) State Govt(s)	-	-	-	-	-	-	-	-	-
	d) Bodies Corp.	-	-	-	-	-	-	-	-	-
	e) Banks / FI	-	-	-	-	-	-	-	-	-
	f) Any other	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)	336200	-	336200	4.79	336200	-	336200	4.79	-
	<b>2 Foreign</b>									
	a) NRIs –	-	-	-	-	-	-	-	-	-
	b) Other –	-	-	-	-	-	-	-	-	-
	c) Bodies Corp.	-	-	-	-	-	-	-	-	-
	d) Banks / FI	-	-	-	-	-	-	-	-	-
	e) Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	336200	-	336200	4.79	336200	-	336200	4.79	-
	Total shareholding of Promoter (A) = (A)(1)+(A) (2)	<b>336200</b>	-	<b>336200</b>	<b>4.79</b>	<b>336200</b>	-	<b>336200</b>	<b>4.79</b>	-
<b>B</b>	<b>Public Shareholding</b>									
	<b>1 Institutions</b>									
	a) Mutual Funds	-	-	-	-	-	-	-	-	-
	b) Banks / FI	-	-	-	-	-	-	-	-	-
	c) Central Govt	-	-	-	-	-	-	-	-	-
	d) State Govt(s)	-	-	-	-	-	-	-	-	-
	e) Venture Capital	-	-	-	-	-	-	-	-	-
	f) Insurance	-	-	-	-	-	-	-	-	-
	g) FIIs	-	-	-	-	-	-	-	-	-
	h) Foreign Venture	-	-	-	-	-	-	-	-	-
	i) Others (specify)	-	-	-	-	-	-	-	-	-
	i-i Foreign Bank	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
	<b>2 Non-Institutions</b>									
	a) Bodies Corp.									

	i) Indian	3225023	-	3225023	45.94	4700417	-	4700417	66.95	21.01
	ii) Overseas									
	b) Individuals									
	i) Individual shareholders holding nominal share capital upto 2 lakh	1042858	443300	1486158	21.17	654762	424400	1079162	15.37	-5.8
	ii) Individual shareholders holding nominal share capital in excess of 2 lakh	1531522	-	1531522	21.81	694199	-	694199	9.88	-11.93
	c) Others (specify)	-	-	-	-	-	-	-	-	-
	i) Clearing	71842	-	71842	1.02	-	-	-	-	-1.02
	ii) Non Resident Indians	-	-	-	-	-	-	-	-	-
	iii) Overseas	-	-	-	-	-	-	-	-	-
	iv) Trusts	-	-	-	-	-	-	-	-	-
	v)HUF	357455	12300	369755	5.27	198222	12300	210522	2.99	-2.28
	Sub-total (B)(2) :	<b>6228700</b>	<b>455600</b>	<b>6684300</b>	<b>95.21</b>	<b>6247600</b>	<b>436700</b>	<b>6684300</b>	<b>95.21</b>	-
	Total Public Shareholding (B)=(B)(1)+	<b>6228700</b>	<b>455600</b>	<b>6684300</b>	<b>95.21</b>	<b>6247600</b>	<b>436700</b>	<b>6684300</b>	<b>95.21</b>	-
	TOTAL (A)+(B)	<b>6564900</b>	<b>455600</b>	<b>7020500</b>	<b>100</b>	<b>6583800</b>	<b>436700</b>	<b>7020500</b>	<b>100</b>	-
C	Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	<b>6564900</b>	<b>455600</b>	<b>7020500</b>	<b>100</b>	<b>6583800</b>	<b>436700</b>	<b>7020500</b>	<b>100</b>	-

**ii) Shareholding of Promoters:**

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the compan	% of Shares Pledged / encumbe red to total	No. of Shares	% of total Shares of the company	%of Shares Pledge d / encum bered	
1.	Mr. Ankit Agarwal	336200	4.79	-	336200	4.79	-	NIL
	TOTAL	<b>336200</b>	<b>4.79</b>	-	<b>336200</b>	<b>4.79</b>	-	<b>NIL</b>

**iii) Change in Promoters' Shareholding (please specify, if there is no change):**



**No Change in Promoters' Shareholding during the financial year 2017-18.**

Sl. No.	Name of the Promoter	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
Nil	Nil	Nil	Nil	Nil	Nil

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

Sl. No.	Shareholder's Name	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.	Panchsheel Portfolio Consultants Private Limited				
	At the beginning of the year	-	-		
	Increase/Decrease During the Year	710600	10.12%		
	At the end of the year	710600	10.12%		
2	Lydia Buildcon Private Limited				
	At the beginning of the year	654400	9.32%		
	Increase/Decrease During the Year	-	-		
	At the end of the year	654400	9.32%		
3	Pavaki Propbuild Private Limited				
	At the beginning of the year	613552	8.74%		
	Increase/Decrease During the Year	-	-		
	At the end of the year	613552	8.74%		
4	Jubilation Hotel Management Private Limited				
	At the beginning of the year	595900	8.49%		
	Increase/Decrease During the Year	-	-		
	At the end of the year	595900	8.49%		
5	AVS Alloy India Private Limited				
	At the beginning of the year	499000	7.11%		
	Increase/Decrease During the Year	-	-		
	At the end of the year	499000	7.11%		
6	Ostrich Infra Reality Private Limited				
	At the beginning of the year	491300	7.00%		
	Increase/Decrease During the Year	3000	0.4%		

	At the end of the year	494300	7.04%		
7	Exprezer Infotech Private Limited				
	At the beginning of the year	-	-		
	Increase/Decrease During the Year	295450	4.21%		
	At the end of the year	295450	4.21%		
8	Cea consultants pvt ltd.				
	At the beginning of the year	-	-		
	Increase/Decrease During the Year	281900	4.02%		
	At the end of the year	281900	4.02%		
9	Eaves Trade Services Private Limited				
	At the beginning of the year	267050	3.8%		
	Increase/Decrease During the Year	-	-		
	At the end of the year	267050	3.8%		
10	Nuzhat Alim				
	At the beginning of the year	100000	1.42%		
	Increase/Decrease During the Year	-	-		
	At the end of the year	100000	1.42%		

**v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholder's Name	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.	Mr. Ankit Agarwal ( Managing Director)	336200	4.79	336200	4.79
	<b>Total</b>	<b>336200</b>	<b>4.79</b>	<b>336200</b>	<b>4.79</b>

**V. INDEBTEDNESS**

In Rs

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

Addition	-	21,45,57,864	-	21,45,57,864
Reduction	-	-	-	-
<b>Net Change</b>	-	21,45,57,864	-	21,45,57,864
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	21,45,57,864	-	21,45,57,864
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	21,45,57,864	-	21,45,57,864

**VI. Remuneration of Directors and Key Managerial Personnel****A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

<b>Sl. No.</b>	<b>Particulars of Remuneration</b>	<b>Managing Director Ankit Agarwal</b>
1.	Gross salary	
	(a)Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	3,45,000
	(b)Value of perquisites u/s17(2) Income-tax Act, 1961	-
	c)Profits in lieu of salary under section 17(3)Income-taxAct,1961	-
2.	Stock Option	-
3.	Sweat Equity	-
4.	Commission - as % of profit - others, specify...	-
5.	Others, please specify(Retirement Benefits)	-
6.	Total(A)	<b>3,45,000</b>

**B. Remuneration to other Directors:****In Rs.**

<b>Sr. No</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>		<b>Total Amount (Rs)</b>
1	Independent Directors	<b>Khushboo Agarwal</b>	<b>Anil Gupta</b>	
	Fee for attending board committee meetings	Nil	Nil	Nil
	Commission	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil
	Total (1)	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

2.	Other Non-Executive Directors	-	-	-
	Fee for attending board committee meetings	-	-	-
	Commission	-	-	-
	Others, please specify	-	-	-
	Total (2)	-	-	-
	Total (B)=(1+2)	-	-	-
	Total Managerial Remuneration	<b>Nil</b>	<b>Nil</b>	<b>Nil</b>
	Overall Ceiling as per the Act	5% of the Net profit of the Company		

**C. Remuneration to Key Managerial Personnel Other than MD /Manager /WTD****Rs. In Lacs**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary		Total
		Payal Saxena/Vijay		342,393
1.	Gross salary			
	(a)Salary as per provisions contained in section17(1)of the Income-tax Act,1961			
	(b)Value of perquisites u/s17(2)Income-tax Act,1961			
	(c)Profits in lieu of salary under section 17(3)Income-tax Act,1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission			
	- as% of profit			
	- others, specify...			
5.	Others, please specify(Retirement Benefits)			
6.	Total			342,393*

Out of 342,393 remuneration paid to Ms. Payal Saxena is Rs. 96,104 and to Mr. Vijay is Rs. 246,289.

Ms. Payal Saxena Resigned from the position of company secretary w.e.f. 30/07/2017.

Mr. Vijay Appointed as Company Secretary Cum Compliance officer w.e.f. 04/09/2017.

**VII. Penalties/Punishment/Compounding Of Offences:**

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
<b>A. Company</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. Other Officers in Default</b>					
Penalty			None		
Punishment					
Compounding					

**Annexure 'E' to the Directors' Report**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

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

To,

The Members,

**Kotia Enterprises Limited  
905, New Delhi House, 27  
Barakhamba Road, New Delhi - 110001**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kotia Enterprises Limited (Formerly Known as “**International Pumps and Projects Limited**”) (hereinafter referred to as the “Company”). 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 the financial year ended on March 31, 2018 (“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 and in the manner reported hereinafter.

I 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, 2018 according to the provisions of –

- i. The Companies Act, 2013 (“Act”) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the Rules made under that Act;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed under that Act;
- iv. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made under that Act to the extent applicable to Overseas Direct Investment (ODI) – **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’):
  - (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, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 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 client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **Not Applicable to the Company during the Audit Period;** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – **Not Applicable to the Company during the Audit Period;**

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with the BSE Stock Exchange Limited and Metropolitan Stock Exchange of India Limited.
- iii. Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from December 01, 2015);

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. 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 Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that:

There are 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.

I further report that during the audit period there were no specific events/actions having a major bearing on the company's affairs except the following:

(i) The Company has transacted the below mentioned special business in its Annual General Meeting which was held on September 29, 2017:

- Approve alteration of Articles of Association of Company

For **Kumar A & Associates**  
Company Secretaries

Sd/-  
**(AMIT KUMAR)**  
Proprietor  
CP No. 16877

**Date: August 30, 2018**

**Place: Delhi**

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



**Annexure A to the Secretarial Audit Report**

The Members,

**Kotia Enterprises Limited  
905, New Delhi House, 27,  
Barakhamba Road, New Delhi - 110001**

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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes 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 procedures on the random 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 **Kumar A & Associates**  
Company Secretaries

Sd/-  
**(AMIT KUMAR)**  
Proprietor  
CP No. 16877

**Date: August, 30, 2018**  
**Place: Delhi**

**ANNEXURE 'F' TO THE 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:**

There were no contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 which are not at arm's length basis during the year ended March 31, 2018.

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Durations of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount paid as advance, if any
(a)	(b)	(c)	(d)	(f)
Iesus Marketing Private Limited	Purchase of Cotton Fabrics	Continues basis until rescinded by the company	Purchase is made from Iesus Marketing Private Limited for Business Purpose.	As per Agreement

**Note: The threshold limit for materiality has been decided by the board in accordance with the provisions of section 188 read with Rule 15 (3) of the Companies (Meetings of Board and its Powers) Rule, 2014.**

For and on behalf of the Board  
Kotia Enterprises Limited

Sd/-

Sd/-

Place: New Delhi  
Date: 30.08.2018

Ankit Agarwal  
Managing Director

Khushboo Agarwal  
Director

**INDEPENDENT AUDITOR'S REPORT**

**To  
The Shareholders of  
KOTIA ENTERPRISES LIMITED**

**Report on Financial Statements**

We have audited the accompanying financial statements of **KOTIA ENTERPRISES LIMITED** ('the Company') which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind-AS) specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the Indian accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place the adequate internal financial control system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India: -

- i. In case of the Balance Sheet, of the **state of affairs** of the company as at 31<sup>st</sup> March 2018;
- ii. In case of Statement of Profit and Loss, of the **profit and total comprehensive income** for the year ended on that date; and
- iii. In case of Cash Flow Statement, of the **cash flows** for the year ended on that date.
- iv. In case of Statement of Changes in Equity, of the **changes in equity** for the year ended on that date.

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

1. As required by the Companies (Auditor's Report) Order 2016 (the Order), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the **Annexure- A**, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, the cash flow statement and the statement of changes in equity dealt with by this report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the act.
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2018 taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 from being appointed as a director in terms of section 164 (2) of the act.
  - f. With respect to adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure- B**.

(Cont...3)

**-:3:-**

- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 if any, of the pending litigations in its financial statements;
  - ii) Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses;
  - iii) The Company is not required to transfer any amount to the Investor Education and Protection Fund.

Signed for the purpose of identification

**FOR V.N. PUROHIT & CO.**

**Chartered Accountants**

Firm Regn. No. 304040E

Sd/-

**Gaurav Joshi**

Partner

Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018

**ANNEXURE- A TO THE AUDITOR'S REPORT**

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **KOTIA ENTERPRISES LIMITED** (the Company) for the year ended on 31<sup>st</sup> March 2018.

- (i) (a) As per information and explanation given to us, the Company is maintaining proper records showing full disclosures of the fixed assets;
- (b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (c) According to information and explanation given to us, the company does not hold any immovable property during the period dealt with by this report;
- (ii) As per information and explanation given to us, physical verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;
- (iii) According to information and explanations given to us, the Company has not granted unsecured loans to parties covered in register maintained under section 189 of the Companies Act, 2013 and hence provisions of this sub- clause are not applicable;
- (iv) According to information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 so far as applicable, in respect of providing loans, investments, guarantees and securities given.
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed there under are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute;
- (viii) According to information and explanations given to us, the company has not obtained any loans and borrowings from any financial institution, bank, government or dues to debenture holders, and hence question of default of repayment does not arise;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. The Company has not taken any term loans and hence question of its utilization does not arise;

- (x) According to information and explanations given to us, there is no noticed or unreported fraud on or by the Company during the year under audit;
- (xi) According to information and explanations given to us, company has paid managerial remuneration in accordance with applicable provisions of companies act, 2013.
- (xii) As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;
- (xiii) According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable Indian accounting standards;
- (xiv) According to information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) According to information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Signed for the purpose of identification

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
Firm Regn. No. 304040E

Sd/-  
**Gaurav Joshi**  
Partner  
Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018

**ANNEXURE- B TO THE AUDITOR'S REPORT****Report on the Internal Financial Controls under Clause (i) of Sub- section (3) of Section 143 of the Companies Act, 2013**

We have audited the internal financial controls over financial reporting of **Kotia Enterprises Limited** (the Company) as on 31<sup>st</sup> March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for the 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 controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material aspects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting 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 control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidences we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that: -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the Company are being only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

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

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 could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on "the internal financial controls over financial reporting criteria 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".

**FOR V.N. PUROHIT & CO.****Chartered Accountants**

Firm Regn. No. 304040E

Sd/-

**Gaurav Joshi**

Partner

Membership No. 516027

New Delhi, the 30<sup>th</sup> day of May 2018

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018**

Particulars	Notes	31 <sup>st</sup> March, 2018 (Rupees)	31 <sup>st</sup> March, 2017 (Rupees)	31 <sup>st</sup> March, 2016 (Rupees)
<b><u>ASSETS</u></b>				
Non- Current Assets				
Tangible Assets				
Property, Plant and Equipment	3	665,638	565,231	88,048
Financial Assets				
Investments	4	765,330	765,330	-
Loans	5	455,625	23,174,593	21,458,741
Others	6	49,360	49,360	49,360
Deferred Tax Assets (Net)	7	258,880	404,822	558,794
Current Assets	8	1,706,049	-	-
Inventories				
Financial Assets				
Trade Receivables	9	152,248,752	65,476,520	106,616,345
Cash & Cash Equivalents	10	133,765,157	42,133,060	40,407,904
Loans	11	-	-	70,000
Other Financial Assets	12	2,806,170	1,463,907	-
Current Tax Assets (Net)		1,638,606	1,264,473	276,965
Other Current Assets	13	255,396	-	-
<b>Total</b>		<b><u>294,614,963</u></b>	<b><u>135,297,296</u></b>	<b><u>73,526,157</u></b>
<b><u>EQUITIES AND LIABILITIES</u></b>				
<b><u>Equity</u></b>				
Equity Share Capital	14	70,205,000	70,205,000	70,205,000
Other Equity	15	(165,644)	(6,455,407)	(9,357,639)
<b><u>Liabilities</u></b>				
Current Liabilities				
Financial Liabilities				
Borrowings	16	214,557,864	-	-
Trade Payables	17	8,404,566	68,607,517	12,655,896
Other Financial Liabilities	18	92,545	-	-
Other Current Liabilities	19	1,477,432	2,917,186	-
Provisions	20	43,200	23,000	22,900
<b>Total</b>		<b><u>294,614,963</u></b>	<b><u>135,297,296</u></b>	<b><u>73,526,157</u></b>
Notes on Financial Statements	1 - 40			

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

As per our report of even date

FOR V.N. PUROHIT & CO.  
Firm Regn. No. 304040E  
Chartered Accountants

For and on behalf of the Board of Directors of  
Kotia Enterprises Limited

Sd/-  
Gaurav Joshi  
Partner  
Membership No. 516027

Sd/-  
Ankit Agarwal  
Managing Director  
DIN: 05254327

Sd/-  
Khushboo Agarwal  
Director  
DIN: 06792261

New Delhi, the 30<sup>th</sup> day of May, 2018

Sd/-  
Anil Gupta  
Director  
DIN: 00468470

Sd/-  
Vijay  
Company Secretary  
AUEPV8815A

**STATEMENT OF PROFIT & LOSS FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH, 2018**

Particulars	Notes	31 <sup>st</sup> March, 2018 (Rupees)	31 <sup>st</sup> March, 2017 (Rupees)
<b>INCOME</b>			
Revenue from operations	21	408,804,895	276,298,658
Other Income	22	6,455,762	4,737,286
<b>Total Revenue (I)</b>		<b>415,260,657</b>	<b>281,035,944</b>
<b>EXPENSES</b>			
Purchase of Stock – in – trade	23	374,322,163	170,187,670
Changes in inventories of work in progress	24	(1,706,049)	-
Operating Expenses	25	24,182,347	104,992,903
Employee benefit expenses	26	1,065,007	793,856
Finance Costs	27	5,638,393	230
Depreciation and Amortization Expenses	3	112,993	32,817
Other Expenses	28	2,321,531	794,964
<b>Total Expenses (II)</b>		<b>407,642,433</b>	<b>276,802,440</b>
Profit/(loss) before exceptional and extraordinary items and tax (I – II)		7,618,224	4,233,504
Exceptional & Extraordinary Items		-	-
Profit/(loss) before tax		7,618,224	4,233,504
<b>Tax expenses</b>			
Current Tax		(1,961,693)	(1,177,300)
Deferred Tax		(145,942)	(153,972)
<b>Profit/(loss) after Tax (III)</b>		<b>5,510,589</b>	<b>2,902,232</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>Total Other Comprehensive Income (IV)</b>		<b>-</b>	<b>-</b>
<b>Total Comprehensive Income (III + IV)</b>		<b>5,510,589</b>	<b>2,902,232</b>
<b>Earnings Per Equity Share (EPS)</b>			
[nominal Value of share Rs. 10]			
Basic		0.78	0.41
Diluted		0.78	0.41

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

As per our report of even date

FOR V.N. PUROHIT & CO.  
Firm Regn. No. 304040E  
Chartered Accountants

For and on behalf of the Board of Directors of  
Kotia Enterprises Limited

Sd/-  
Guarav Joshi  
Partner  
Membership No. 516027

Sd/-  
Ankit Agarwal  
Managing Director  
DIN: 05254327

Sd/-  
Khusbhoo Agarwal  
Director  
DIN: 06792261

New Delhi, the 30<sup>th</sup> day of May, 2018

Sd/-  
Anil Gupta  
Director  
DIN: 00468470

Sd/-  
Vijay  
Company Secretary  
AUEPV8815A

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(loss) before tax and after extra – ordinary items	7,618,224	4,233,504
<b><u>Adjustments for items: -</u></b>		
Interest Paid	5,637,657	-
Interest Received	(6,455,762)	(4,737,286)
Depreciation on fixed Assets	112,993	32,817
Operating Profit before working capital change	6,913,111	(470,965)
<b><u>Working capital adjustments:</u></b>		
(Increase/decrease) in inventory	(1,706,049)	-
(Increase)/decrease in trade receivables	(86,772,232)	(54,860,175)
(Increase)/decrease in other financial assets	(1,342,263)	-
(Increase)/decrease in other current assets	(255,396)	(1,463,907)
Increase/(decrease) in provisions	20,200	-
(Increase)/decrease in loan and advances	22,718,968	(1,645,852)
Increase/(decrease) in trade payables	(60,202,951)	58,868,907
Increase/(decrease) in other financial liabilities	92,545	-
Increase/(decrease) in other liabilities	(1,439,754)	-
Cash generated from operations	(121,973,821)	428,008
Direct Taxes Paid	(1,556,650)	(2,164,808)
Net cash flow from operating activities (A)	(123,530,472)	(1,736,800)
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Sale/(Purchase) of Fixed Assets	(213,400)	(510,000)
Sale/(Purchase) of non – current investments	-	(765,330)
Interest received	6,455,762	4,737,286
Net Cash Flow from investing activities (B)	6,242,362	3,461,956
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Interest Paid	(5,637,657)	-
Net Proceeds from borrowings	214,557,864	-
Net Cash Flow From Financing Activities (C)	208,920,207	-
<b>Net Cash flow during the year (A+B+C)</b>	91,632,097	1,725,156
Add: Opening cash and cash equivalents	42,133,060	40,407,904
<b>Closing cash and cash equivalents</b>	133,765,157	42,133,060
<b>Components of cash and cash equivalents</b>		
Cash in Hand	389,467	160,308
Deposit With Banks		
In current accounts	60,375,690	1,472,752
In fixed deposits	73,000,000	40,500,000
Total cash and cash equivalents (Note 10)	133,765,157	42,133,060

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

FOR V.N. PUROHIT & CO.  
Firm Regn. No. 304040E  
Chartered Accountants

For and on behalf of the Board of Directors of  
Kotia Enterprises Limited

Sd/-  
Gaurav Joshi  
Partner  
Membership No. 516027

Sd/-  
Ankit Agarwal  
Managing Director  
DIN: 05254327

Sd/-  
Khushboo Agarwal  
Director  
DIN: 06792261

New Delhi, the 30<sup>th</sup> day of May, 2018

Sd/-  
Anil Gupta  
Director  
DIN: 00468470

Sd/-  
Vijay  
Company Secretary  
AUEPV8815A

KOTIA ENTERPRISES LIMITED  
(Formerly known as International Pumps & Projects Limited)  
CIN: L74110DL1980PLC010678

STATEMENT OF CHANGES IN EQUITY

A	<u>Equity Share Capital</u>	
Balance as of 1 <sup>st</sup> April 2016 70205000	Changes in equity share capital during the year	Balance at the 31 <sup>st</sup> March 2017  70205000
	-	
Balance as of 1 <sup>st</sup> April 2017 70205000	Changes in equity share capital during the year	Balance at the 31 <sup>st</sup> March 2018  70205000
	-	

**B. Other Equity**  
**Particulars**

	Securities Premium	General Reserves	Retained Earnings	Total
<b>Balance as at 1st April 2016</b>	16,956,835	4,062,212	(30,376,689)	(9,357,639)
<b>Revised balances as at 1st April 2016</b>	16,956,835	4,062,212	(30,376,689)	(9,357,639)
Profit for the year			2,902,232	2,902,232
<b>Total Comprehensive Income</b>	16,956,835	4,062,212	(27,474,457)	(6,455,407)
<b>Balance as at 31<sup>st</sup> March 2017</b>	16,956,835	4,062,212	(27,474,457)	(6,455,407)
<b>Balance as at 1<sup>st</sup> April 2017</b>	16,956,835	4,062,212	(27,474,457)	(6,455,407)
Changes in accounting estimates			779,174	779,174
<b>Revised balances as at 1<sup>st</sup> April 2017</b>	16,956,835	4,062,212	(26,695,283)	(5,676,233)
Profit for the year			5,510,589	5,510,589
<b>Total Comprehensive Income</b>	16,956,835	4,062,212	(21,184,694)	(165,644)
<b>Balance as at 31<sup>st</sup> March 2018</b>	16,956,835	4,062,212	(21,184,694)	(165,644)

**3. Property, plant and equipment:**

**As at                      As at                      As at**



	<b>31st March 2018 (Rupees)</b>	<b>31st March 2017 (Rupees)</b>	<b>1st April 2016 (Rupees)</b>
<u>Carrying amount: -</u>			
Car	449,080	509,668	-
Printer	4,095	6,139	8,329
Laptop	19,148	49,424	79,719
Ipad Pro	112,739	-	-
Laptop (Dell)	26,910	-	-
Laptop (HP)	24,882	-	-
Mobile	3,354	-	-
Office Equipment	11,536	-	-
HP Laserjet Printer	13,894	-	-
<b>Total</b>	<b>665,638</b>	<b>565,231</b>	<b>88,048</b>

	<b>Car</b>	<b>Print er</b>	<b>Lapt op</b>	<b>Ipad Pro</b>	<b>Lapt op (Dell)</b>	<b>Lapt op (HP)</b>	<b>Mobi le</b>	<b>Office Equip ment</b>	<b>HP Laser jet Print er</b>	<b>Total</b>
	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>	<b>(Rup ees)</b>

**Cost or Deemed Cost: -**

Balance as at 1 <sup>st</sup> April, 2016	-	10,760	95,577	-	-	-	-	-	-	106,337
Additions during the year	510,000	-	-	-	-	-	-	-	-	510,000
Assets disposal/written off during the year	-	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2017	510,000	10,760	95,577	-	-	-	-	-	-	616,337
Additions during the year	-	-	-	116,950	35,500	29,237	4,750	12,980	13,983	213,400
Assets	-	-	-	-	-	-	-	-	-	-

disposal/ written off during the year	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>510,0 00</b>	<b>10,76 0</b>	<b>95,57 7</b>	<b>116,9 50</b>	<b>35,50 0</b>	<b>29,23 7</b>	<b>4,750</b>	<b>12,980</b>	<b>13,98 3</b>	<b>829,7 37</b>	

**Accumulated Depreciation: -**

Balance as at 1 <sup>st</sup> April, 2016	-	2,431	15,85 8	-	-	-	-	-	-	-	18,28 9
Charge for the year	332	2,190	30,29 5	-	-	-	-	-	-	-	32,81 7
Adjusted on assets disposed/ written off	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 <sup>st</sup> March, 2017	332	4,621	46,15 3	-	-	-	-	-	-	-	51,10 6
Charge for the year	60,58 8	2,044	30,27 6	4,211	8,590	4,355	1,396	1,444	89	-	112,9 93
Adjusted on assets disposed/ written off	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>60,92 0</b>	<b>6,665</b>	<b>76,42 9</b>	<b>4,211</b>	<b>8,590</b>	<b>4,355</b>	<b>1,396</b>	<b>1,444</b>	<b>89</b>	<b>-</b>	<b>164,0 99</b>

**Carrying amount: -**

Balance as at 1 <sup>st</sup> April, 2016	-	8,329	79,71 9	-	-	-	-	-	-	-	88,04 8
Balance as at 31 <sup>st</sup> March, 2017	509,6 68	6,139	49,42 4	-	-	-	-	-	-	-	565,2 31
Balance as at 31 <sup>st</sup> March,	449,0 80	4,095	19,14 8	112,7 39	26,91 0	24,88 2	3,354	11,536	13,89 4	-	665,6 38

2018

**3.1 Notes**

All the above property, plant & equipment are owned by the company.

**4. Non Current Investments**

	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
Investments in equity instruments (fully paid up)			
<u>Unquoted</u>			
60,000 (31 <sup>st</sup> March, 2017: 60,000, 1 <sup>st</sup> April, 2016: Nil) Equity Shares of Iseous Marketing Private Limited)	6000,000	600,000	-
7,000 (31 <sup>st</sup> March, 2017: 7,000, 1 <sup>st</sup> April, 2016: Nil) Equity Shares of Professional Outsourcing Private Limited)	14,000	14,000	-
15,000 (31 <sup>st</sup> March, 2017: 15,000, 1 <sup>st</sup> April, 2016: Nil) Equity Shares of Puru Infrastructure Private Limited)	30,000	30,000	-
8,000 (31 <sup>st</sup> March 2017: 8,000, 1 <sup>st</sup> April, 2016: Nil) Equity Shares of Puru Steels Private Limited)	16,000	16,000	-
48,000 (31 <sup>st</sup> March 2017: 48,000, 1 <sup>st</sup> April, 2016: Nil) Equity Shares of Saryu Securities Private Limited)	72,000	72,000	-
3,333 (31 <sup>st</sup> March 2017: 3,333, 1 <sup>st</sup> April, 2016: Nil) Equity Shares of SBK Trade and Infrastructure Private Limited)	33,330	33,330	-
	765,330	765,330	-

**5. Loans: Non – current**

	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
Unsecured, considered good			
Security Deposits	455,625	-	-
Loan to others:-			
Body Corporates	-	23,174,593	21,458,741
	455,625	23,174,593	21,458,741

**6. Other financial assets: Non Current**

As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 31 <sup>st</sup> March, 2016
---------------------------------------	---------------------------------------	---------------------------------------

	(Rupees)	(Rupees)	(Rupees)
Unsecured, Considered goods			
Earnest Money Deposit	49,360	49,360	49,360
	<u>49,360</u>	<u>49,360</u>	<u>49,360</u>

<b>7. Deferred Tax Assets (Net)</b>	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>
	March, 2018	March, 2017	March, 2016
	(Rupees)	(Rupees)	(Rupees)
At the start of the year	404,822	558,794	(1,974)
Change/(Credit) to Statement of Profit and Loss	145,942	153,972	560,768
At the end of the year	<u>258,880</u>	<u>404,822</u>	<u>558,794</u>

7.1 The tax effect of significant timing differences that has resulted in deferred tax assets are given below: -

			For the year ended 31st March 2018	
Particulars	Opening balance	Recognized in Profit and loss	Recognized in OCI	Closing balance
Property, plant and equipment	(19,744)	(4,420)	-	(24,164)
Expenditure Allowed under Income Tax act, 1961	424,566	(141,522)	-	283,044
Total	<u>404,822</u>	<u>(145,942)</u>	<u>-</u>	<u>258,880</u>

			For the year ended 31st March 2017	
Particulars	Opening balance	Recognized in Profit and loss	Recognized in OCI	Closing balance
Property, plant and equipment	(7,294)	(12,450)	-	(19,744)
Expenditure allowed under Income Tax Act, 1961	566,088	(141,522)	-	424,566
Total	<u>558,794</u>	<u>(153,972)</u>	<u>-</u>	<u>404,822</u>

<b>8. Inventories</b>	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>	As at 31 <sup>st</sup>
	March, 2018	March, 2017	March, 2016
	(Rupees)	(Rupees)	(Rupees)

Work in Progress			
Goods for Civil Work	1,706,049	-	-
	<u>1,706,049</u>	<u>-</u>	<u>-</u>
<b>9. Trade Receivables: Current</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
<u>Unsecured considered good: -</u>			
-outstanding for the period exceeding 6 Months	-	-	-
-other receivables	152,248,752	65,476,520	10,616,345
	<u>152,248,752</u>	<u>65,476,520</u>	<u>10,616,345</u>
<b>10. Cash and cash equivalents</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
Cash on hand (as certified)	389,467	160,308	406,404
Balance with banks:			
In Current Accounts	60,375,690	1,472,752	473,201
Fixed Deposit	73,000,000	40,500,000	39,528,299
	<u>133,765,157</u>	<u>42,133,060</u>	<u>40,407,904</u>
<b>11. Loans: Current</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
<u>Unsecured, Considered good</u>			
Security Deposit (Rent)	-	-	70,000
	<u>-</u>	<u>-</u>	<u>70,000</u>
<b>12. Other financial assets: Current</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
Accrued interest on fixed deposits	1,012,991	938,907	-
Receivables against sale of investments	-	525,000	-
Interest accrued on Loan	1,793,179	-	-
	<u>2,806,170</u>	<u>1,463,907</u>	<u>-</u>
<b>13. Other current assets</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 31 <sup>st</sup> March, 2016 (Rupees)
<u>Advances other than capital advances</u>			
Advances to related parties	2,430	-	-
<u>Others</u>			
Prepaid Expense	11,254	-	-
Input of Goods & Service tax	241,712	-	-
	<u>255,396</u>	<u>-</u>	<u>-</u>

<b>14. Equity share capital</b>	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017		As at 1 <sup>st</sup> April, 2016	
	No.	(Rupees)	No.	(Rupees)	No.	(Rupees)
Authorized shares						
Equity shares of INR 10 each with voting rights	8,000,000	80,000,000	8,000,000	80,000,000	8,000,000	80,000,000
	0	0	0	0	0	0
Issued, subscribed and fully paid- up shares	7,020,500	70,205,000	7,020,500	70,205,000	7,020,500	70,205,000
	0	0	0	0	0	0

14.1 Reconciliation of number of equity shares and amount outstanding	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No.	(Rupees)	No.	(Rupees)

Equity Shares

- At the beginning of the period	7,020,500	70,205,000	7,020,500	70,205,000
- Issued during the year	-	-	-	-
Total Outstanding at the end of the period	7,020,500	70,205,000	7,020,500	70,205,000

## 14.2 Terms and rights attached to equity shares

The company has issued only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

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 the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

## 14.3 Details of shareholders holding more than 5% shares in the company: -

	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March 2017	
	Nos.	% holding	Nos.	% holding
Mumtaz Banu Mohmed Umar	-	0.00%	450,000	6.41%
Mohmed Umar Mohmedamin	-	0.00%	450,000	6.41%
Panchsheel Portfolio Consultant Private Limited	710,600	10.12%	-	-
Lydia Buildcon Private Limited	654,400	9.32%	-	-
Pavaki Propbuild Private Limited	613,552	8.74%	-	-
Jubilation Hotel Management Private Limited	595,900	8.49%	-	-
AVS Alloy India Private Limited	499,000	7.11%	-	-
Ostrich Infra Reality Private	494,300	7.04%	-	-

Limited

As per records, registers and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

<b>15. Other equity</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	
	(Rupees)	(Rupees)	
<u>Securities premium account</u>			
Opening balance	16,956,835	16,956,835	
Add/(less): utilize/transfer during the year	-	-	
Closing balance	16,956,835	16,956,835	
<u>General Reserves:-</u>			
Opening balance	4,062,212	4,062,212	
Add/(less): utilize/transfer during the year	-	-	
Closing balance	4,062,212	4,062,212	
<u>Retained earnings:-</u>			
Opening balance	(27,474,457)	(30,376,689)	
Add/(Less): Rectification of errors	779,174	-	
Add/(less): Profit/ (loss) for the year	5,510,589	2,902,232	
Closing balance	(21,184,694)	(27,474,457)	
	165,647	(6,455,410)	
<b>16. Borrowings: Current</b>			
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
	(Rupees)	(Rupees)	(Rupees)
<u>Unsecured</u>			
<u>Loan from others:</u>			
Body Corporate	214,557,864	-	-
	214,557,864	-	-
<b>17. Trade Payables: Current</b>			
	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017	As at 1 <sup>st</sup> April, 2016
	(Rupees)	(Rupees)	(Rupees)
<u>Sundry creditors for</u>			
Goods and services other than MSME	8,404,566	68,607,517	12,655,896
	8,404,566	68,607,517	12,655,896

<b>18. Other financial liabilities: Current</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 1 <sup>st</sup> April, 2016 (Rupees)
Salary payable	62,545	-	-
Director remuneration payable	30,000	-	-
	<u>92,545</u>	<u>-</u>	<u>-</u>
<b>19. Other current liabilities</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 1 <sup>st</sup> April, 2016 (Rupees)
Service tax payable	-	838,267	-
TDS Payable	477,432	2,078,919	-
Advance from Customer (works contract)	1,000,000	-	-
	<u>1,477,432</u>	<u>2,917,186</u>	<u>-</u>
<b>20. Provisions: Current</b>	As at 31 <sup>st</sup> March, 2018 (Rupees)	As at 31 <sup>st</sup> March, 2017 (Rupees)	As at 1 <sup>st</sup> April, 2016 (Rupees)
For audit fees	43,200	23,000	22,900
	<u>43,200</u>	<u>23,000</u>	<u>22,900</u>
<b>21. Revenue from operation</b>		For the year ended 31 <sup>st</sup> March, 2018 (Rupees)	For the year ended 31 <sup>st</sup> March, 2017 (Rupees)
<u>Sale of products</u>			
Cotton fabric		102,427,478	169,696,081
Bleached hardwood kraft pulp		281,701,552	-
<u>Rendering of service:-</u>			
Construction and civil works		24,675,865	106,602,577
		<u>408,804,895</u>	<u>276,298,658</u>
<b>22. Other income</b>		For the year ended 31 <sup>st</sup> March, 2018 (Rupees)	For the year ended 31 <sup>st</sup> March, 2017 (Rupees)
Interest on:-			
Fixed deposits		5,393,925	2,808,774
Loan		131,762	1,906,500
Income tax refund		-	22,012
Late supply of stock		930,075	-
		<u>930,075</u>	<u>-</u>



	6,455,762	4,737,286
<b>23. Purchase of stock-in-trade</b>	For the year ended 31st March 2018 (Rupees)	For the year ended 31st March 2017 (Rupees)
Cotton fabric	101,009,424	170,187,670
Bleached hardwoodkraft pulp	273,312,740	-
Goods for civil Work	1,706,049	-
	<u>376,028,212</u>	<u>170,187,670</u>
<b>24. Change in Inventory of Stock in Trade</b>	For the year ended 31st March 2018 (Rupees)	For the year ended 31st March 2017 (Rupees)
Opening Inventories	-	-
Closing Inventories	1,706,049	-
	<u>1,706,049</u>	<u>-</u>
<b>25. Operating expenses</b>	For the year ended 31 <sup>st</sup> March, 2018 (Rupees)	For the year ended 31 <sup>st</sup> March, 2017 (Rupees)
Sub- contracting of civil work	24,182,347	104,992,903
	<u>24,182,347</u>	<u>104,992,903</u>
<b>26. Employee benefit expenses</b>	For the year ended 31 <sup>st</sup> March, 2018 (Rupees)	For the year ended 31 <sup>st</sup> March, 2017 (Rupees)
Salaries, wages and bonus: -		
To Directors	345,000	172,500
To others	693,600	599,780
Staff welfare	26,407	21,576
	<u>1,065,007</u>	<u>793,856</u>
<b>27. Finance cost</b>	For the year ended 31 <sup>st</sup> March, 2018 (Rupees)	For the year ended 31 <sup>st</sup> March, 2017 (Rupees)
Interest paid on loan	5,637,657	-
Bank Charges	736	230
	<u>5,638,393</u>	<u>230</u>
<b>28. Other expenses</b>	For the year ended 31 <sup>st</sup> March, 2018	For the year ended 31 <sup>st</sup> March, 2017

	(Rupees)	(Rupees)
Advertisement & Publications	50,720	53,975
Auditor's Remuneration (Note: 36)	40,000	30,944
Bad debts	60,358	-
Commission expense	30,000	-
Conveyance Expenses	31,287	15,192
Electricity & Water Charges	10,328	4,242
Filing Fees	11,530	44,040
Import bank charges	500	-
LC Commission Charges	228,599	-
Legal & Professional Charges	174,876	113,119
Listing Fees	335,000	257,625
Miscellaneous Expenses	1,496	10,321
Office maintenance expense	104,569	-
Other Interest Expense	14,969	-
Processing fee	80,000	-
Registrar & depository charges	70,402	-
Rent	894,613	198,000
Repairs & Maintenance	21,789	22,519
Swatch bharat cess	94,018	-
Telephone and Internet	29,921	17,656
Travelling Expenses	-	19,331
Vehicle expense	36,556	-
Website Expenses	-	8,000
	<hr/>	<hr/>
	2,321,531	794,964

**1. Corporate Information:**

The Company is engaged in the business of trading in goods and rendering services related to construction and civil works. The Company is listed on Bombay Stock exchange (BSE) [Script code: KEL] and Metropolitan Stock Exchange of India (MSEI) [Script code: KEL].

**2. Significant Accounting Policies:****(a) Statement of Compliance:**

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015. These are Company's first financial statements prepared in accordance with Ind AS and Ind AS 101 'First time adoption of Indian Accounting Standards' has been applied. An explanation and effect of transition from Indian GAAP (Referred to as "Previous GAAP") to Ind AS has been described in note 2(c) to these financial statements.

**(b) Basis for preparation of financial statements:**

The financial statements have been prepared in historical cost basis which is generally based on the fair value of consideration given in exchange for goods and services.

**(c) First-Time Adoption of Ind AS**

The Company has prepared its first Indian Accounting Standards (Ind AS) compliant Financial Statements for the periods commencing from April 1, 2017 with restated comparative figures for the year ended March 31, 2017 in compliance with the Ind AS. The Company has prepared these financial statements in accordance with Ind AS notified under Section 133 of the Companies Act, 2013. Accordingly the Balance Sheet, in line with Ind AS transitional provisions has been prepared as at April 1, 2016, the date of Company's transition to Ind AS. In accordance with Ind AS 101 'First-time adoption of Indian Accounting Standards', the Company has presented below reconciliations of net profit in accordance with 'previous GAAP' for the year ended March 31, 2017 and shareholders' funds as per 'previous GAAP' to equity under Ind AS as at March 31, 2017 and April 1, 2016.

**Reconciliations between previous GAAP and Ind AS****(i) Reconciliation of total equity:**

Particulars	Note	As at	
		March 31,2017	April 1, 2016
Balance as per previous GAAP		7,31,07,232	6,93,52,847
Adjustments		-	-
<b>Balance as per IND AS</b>		<b>7,31,07,232</b>	<b>6,93,52,847</b>

**(ii) Reconciliation of total comprehensive income:**

Particulars	Note	Year ended March 31, 2017
<b>Net profit as per Previous GAAP</b>		<b>29,02,232</b>
Adjustments		Nil
<b>Net Profit as per Ind AS</b>		<b>29,02,232</b>
<b>Total Comprehensive Income as per Ind AS</b>		<b>29,02,232</b>

**(d) Use of Estimates:**

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period in which the estimates are revised.

**(e) Critical accounting estimates**

Income Taxes: Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Impairment of Investments:The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

Provision:Provisions are recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

**(f) Property, Plant and Equipment**

Properties, Plant & Equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on Property, Plant and Equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013.

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognised in the profit and loss.

**(g) Revenue recognition:**

Revenue is recognised to the extent it is probable that the economic benefits will flow to the company & revenue is reliably measured.

Sale of Goods: Revenue from sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, which is mainly upon delivery, the amount of revenue can be measured reliably and the recovery of the consideration is probable.

Dividend and Interest Income: Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

Other Income: In respect of other heads of income in the Company's accounts the income shall recognise on accrual basis.

**(h) Foreign currency transactions:**

Foreign currency transactions are recorded as exchange rates prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the profit or loss.

**(i) Financial Instruments:****Financial Assets: -****Recognition and initial measurement: -**

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially a fair value adjusted for transaction cost.

**Subsequent measurement: -**

**Equity instrument and Mutual Fund:** - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

**Debt instrument:** - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the assets given rise on specified dates to cash flows that are solely payments of Principal and Interest on the principal amount outstanding. After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

**De- recognition of Financial Assets**

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

**Financial Liabilities: -****Recognition and initial measurement: -**

All Financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified as amortised cost.

**Subsequent measurement:**

Subsequent to initial recognition, these liabilities are measured at Amortised cost using the effective interest rate method.

**De-recognition of Financial liabilities**

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues. Further when an existing Financial liability is replaced by another from the same lender on substantially different terms , or the terms of existing liability are substantially modified , such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

**Offsetting of Financial Instrument**

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

**(j) Impairment of Financial Assets**

Equity instruments, Debt Instruments and Mutual Fund: -In accordance with Ind –AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for Financial Assets. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

**(k) Inventories**

Inventories are valued at cost or net realisable value, whichever is lower. Cost is determined on weighted average basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**(l) Cash & Cash equivalent**

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(m) Taxation**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961. Current and deferred tax are recognised in profit and loss, except when they relates to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts.

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

The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled. Deferred tax assets include Minimum Alternative Tax (MAT) paid which is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

**(n) Earnings per share:**

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (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 are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

**(o) Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent Assets and Contingent Liabilities are not recognized in the financial statements.

**29. Related Parties: -**

As per IND AS 24, the disclosures of transactions with the related parties are given below:

- (i) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

(i)	Key Management Personnel	Sh. Anil Agarwal (Director) Sh. Ankit Agarwal (Managing Director) Ms. Khushboo Agarwal (Director) Mr. Paaven Bansal (Director) Mr. Vijay (Company Secretary)
(ii)	Relatives of Key Management Personnel	None



(iii)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	Iesous Marketing (P) Ltd.
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- (ii) Following transactions are made with the related parties covered under Ind AS- 24 on “Related Parties Disclosure”.

Transaction with	Nature of Transaction	31/03/2018 (Rs.)	31/03/2017 (Rs.)
<u>Key Management Personnel:-</u>			
Mr. Ankit Agarwal	Remuneration	3,45,000	1,50,000
Ms. Khushboo Agarwal	Sitting Fees	-	22,500
<u>Relatives of Key Management Personnel: None</u>			
<u>Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives:-</u>			
Iesous Marketing (P) Ltd.	Purchase of Cotton Fabrics	-	1,01,38,250

**30. Segment Information:**

The Company has identified two reportable segments viz., Shares and securities and Rough Emerald after taking into account the nature of product and services and the differing risk and returns on such products and services. The accounting policies adopted for segment reporting are in line with the accounting policy of the company with following additional policies for segment reporting: -

- (i) Revenue and expenses have been identified to a segment on the basis of relation to operating activities of the segment. Revenue and Expenses relates to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as “Un-allocable”.
- (ii) Segment Assets and Segment Liabilities represent Assets and Liabilities in respective segments. Assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Un-allocable”.

a. Segment Information:

Particulars	31st March 2018 (Rs.)	31st March 2017 (Rs.)
<b>Segment Revenue: -</b>		
Cotton Fabric	10,24,27,478	16,96,96,081

	Bleached hardwoodkraft pulp	28,17,01,552	-
	Construction and civil works	2,46,75,865	10,66,02,577
	Unallocable	64,55,762	47,37,286
	<b>Total Revenue</b>	<b>41,52,60,657</b>	<b>28,10,35,944</b>
<b>Segment Results</b>			
<b>(Profit/ loss before interest and taxes)</b>			
	Cotton Fabric	14,18,054	(4,91,589)
	Bleached hardwoodkraft pulp	83,88,812	-
	Construction and civil works	4,93,518	16,09,674
	Unallocable	64,55,762	47,37,286
<b>Less:</b>	Interest	(56,38,393)	(230)
<b>Less:</b>	Other Unallocable expenditure (net)	52,05,579	16,21,637
	<b>Total Profit Before Taxes</b>	<b>59,12,174</b>	<b>42,33,504</b>
<b>Capital Employed</b>			
<b>(Segment Assets - Segment Liabilities)</b>			
	Cotton Fabric	-	45,73,888
	Bleached hardwoodkraft pulp	14,42,87,627	-
	Construction and civil works	(14,43,440)	(71,55,846)
	Unallocable	(7,43,30,452)	6,59,26,729
	<b>Total</b>	<b>6,85,13,735</b>	<b>6,33,44,771</b>

b. Secondary Segment information: -

The Company does not have secondary segment division in respect of reportable segments.

31. Balance shown under head Sundry Debtors, Creditors and Advances are subject to confirmation.

32. The Company did not have any long- term contracts including derivative contracts for which there were any material foreseeable losses.

33. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

34. The financial statements were approved for issue by the Board of Directors on 30<sup>th</sup> May, 2018.

<b>35. Particulars</b>	<b>31/03/2018 (Rs.)</b>	<b>31/03/2017 (Rs.)</b>
Expenditure in Foreign Currency	14,93,02,740	-

36. In the opinion of Board of Directors and to the best of their knowledge and belief, the realisable value of Current Assets, Loans and Advances would not be less than the amount at which they are stated in the Balance Sheet.

37. Break- up of Payments made to Statutory Auditors (Including taxes) are disclosed as under:

-

<b>Particulars</b>	<b>31/03/2018 (Rs.)</b>	<b>31/03/2017 (Rs.)</b>
In respect of Audit fees	40,000	23,000
In respect of Certification	-	7,944
<b>TOTAL</b>	<b>40,000</b>	<b>30,944</b>

38. Previous year's figures have been re-arranged or re- grouped wherever consider necessary.

39. Figures have been rounded off to the nearest rupees.

40. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification.

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
Firm Regn. 304040E

**For and on behalf of Board of Directors of  
Kotia Enterprises Limited**

Sd/-  
**Gaurav Joshi**  
Partner  
Membership No. 516027

Sd/-  
**Ankit Agarwal**  
Managing director  
DIN: 05254327

Sd/-  
**Anil Gupta**  
Director  
DIN: 00468470

New Delhi, the 30<sup>th</sup> day of May 2018

Sd/-  
**Khushboo Agarwal**  
Director  
DIN: 0679226

Sd/-  
**Vijay**  
Company Secretary  
PAN: AUEPV8815A

**KOTIA ENTERPRISES LIMITED  
(Formerly Known as International Pump and Projects Limited)**

CIN: L74110DL1980PLC010678

Regd. Off: 905, New Delhi House, 27, Barakhamba Road, New Delhi - 110001  
, Tel:- 91-11 - 40045955

Email: [compliance@kotiaenterprises.com](mailto:compliance@kotiaenterprises.com), Website: [www.kotiaenterprises.com](http://www.kotiaenterprises.com)

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**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:  
.....

Email Id: ..... Folio No. / Client ID:.....

I/We, being the member(s) holding ..... Shares of the above named Company, hereby appoint:

1. Name: .....  
Address.....

Email ID: .....

Signature.....

**Or failing him/her**

2. Name: .....  
Address.....

Email ID: .....

Signature.....

**Or failing him/her**

3. Name: .....  
Address.....

Email ID: .....

Signature.....

as my/our proxy to attend and vote (on a ballot/poll) for me/us and on my/our behalf at the 38<sup>th</sup> Annual General Meeting of the Company, to be held on Friday, September 28, 2018 at 11:30 A.M. at 905, New Delhi House, 27, Barakhamba Road, New Delhi-110001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note 2)		
		For	Against	Abstain
<b>Ordinary Business</b>				
1.	Adoption and Approval of Balance Sheet, Statement of Profit and Loss and the Reports of the Board of Directors and Auditors thereon for the financial period ended on March 31, 2018			
2.	Re-appointment of Mr. Ankit Agarwal, as Managing Director liable to retire by rotation.			
<b>Special Business</b>				
3.	Appointment of Mr. Harshit Agarwal (DIN: 06946506), as a Director of the company.			
4.	Appointment of Mr. Paaven Bansal (DIN: 08098647), as a Director of the company.			
5.	Approval Under Section 180 (1) (c) of the companies act, 2013			
6.	Approval of the expenses for service of documents to Members under Section 20 of companies act, 2013			

Signed this ..... Day of ..... 2018

.....

Signature of proxy Holders(s)

.....

Signature of Shareholder/Member

**Notes:**

1. This form duly filled up, stamped and signed by the appointer or his attorney duly authorized in writing or if the appointer is a Body Corporate, under the seal or signed by an attorney duly authorized by it shall be deposited at the Registered Office of the Company along with the power of Attorney, if any under which the Proxy Form is signed, not less than 48 hours before the time for holding the meeting.
2. It is optional to indicate your reference, if you leave the for, against column or abstain column blank against or abstain column blank against any or all resolutions, your proxy will be entitled in the manner as he/she may deem appropriate.

Affix revenue stamp of not less than Rs. 1.00
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**KOTIA ENTERPRISES LIMITED  
(Formerly Known as International Pump and Projects Limited)**

CIN: L74110DL1980PLC010678

Regd. Off: 905, New Delhi House, 27, Barakhamba Road, New Delhi -110001, Tel:- 91-11 - 40045955

Email: [compliance@kotiaenterprises.com](mailto:compliance@kotiaenterprises.com), Website: [www.kotiaenterprises.com](http://www.kotiaenterprises.com)

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**ELECTRONIC VOTING PARTICULARS**

<b>EVEN (Remote E-Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD/PIN</b>	<b>NO. OF SHARES</b>

The e-voting facility will be available during the following voting period:

<b>Commencement of remote e-voting</b>	<b>From 10.00 a.m. (IST) on Tuesday, September 25, 2018</b>
<b>End of remote e- voting</b>	<b>Up to 5.00 p.m. (IST) on Thursday, September 27, 2018</b>

- The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be disabled by NSDL upon expiry of aforesaid period.
- The cut-off date for the purpose of remote e-voting and voting at the Meeting is Friday, September 21, 2018.
- Please read the instructions given below carefully before exercising the vote through e-voting.

.....TEAR HERE .....

**KOTIA ENTERPRISES LIMITED  
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**ATTENDANCE SLIP**

Regd. Folio No./DP ID - Client ID : \_\_\_\_\_

Name & Address of First/Sole Member : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I/We hereby record my/our presence at the 38<sup>th</sup> Annual General Meeting (AGM) of the Company scheduled to be held on Friday, September 28, 2018 at 11:30 a.m. at its registered office at 905, New Delhi House, 27, Barakhamba Road, New Delhi -110001, Tel:- 91-11 - 40045955.

\_\_\_\_\_  
Signature of Member/Proxy

**ROUTE MAP FOR AGM VENUE**

