KHATOD INVESTMENTS & FINANCE CO LTD

31ST ANNUAL REPORT
2020-21

CORPORATE INFORMATION

Board of Directors

Mrs. Manisha Pincha
Wholetime Director

Mr. Manish Kumar Jain
Independent Director

Mr. Pradeep Kumar Hirawat
Independent Director

Mr. Shambhu Choubey
Non-Executive Director

Chief Financial Officer

Mr. Krishna Gopal Halder

Company Secretary & Compliance Officer

Mr. Jaspreet Singh Dhir
(resigned w.e.f 26.12.2020)

Ms. Sweta Singh
(appointed w.e.f 19.06.2021)

Registrar & Transfer Agent

M/s Niche Technologies Private Limited
3A, Auckland Place, 7thFloor
Room No. 7A & 7B, Kolkata - 700017
Phone No. 033-22806616/6617/6618
Fax No. 033-22806619
E-mail: nichetechpl@ nichetechpl.com
Website: https://www.nichetechpl.com

Registered Office

1, Ramesh Mitra Road
3rd Floor,
Kolkata – 700025 (w.e.f 10.08.2021)
Phone No.: 033-44500500
Fax No.:033-22420588
Website: www.khatodinv.com
CIN: L65993WB1990PLC084695
Email: khatodinv@gmail.com

Bankers

Punjab National Bank

Statutory Auditor

M/s. VKR & Associates
Chartered Accountants
Martin Burn House,
Room No. 312, 3rd Floor,
1, R. N. Mukherjee Road,
Kolkata – 700001

Internal Auditor

Mr. Krishan Kumar Bengani
Chartered Accountants
Flat no. 706,7th floor, Block B, Swapnalok Apartment, 20, Salkia School Road,
Howrah – 711106

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DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Thirty First (31st) Board Report together with the Audited Financial Statements of the Company for the year ended 31st March 2021.

FINANCIALS **(Rs. in lakhs)**

Particulars	Current Year ended 31.03.2021	Previous Year ended 31.03.2020
Total Income	44.91	12.90
Less: Expenditure	16.16	14.34
Profit/(Loss) before Tax	**28.75**	**(1.44)**
Less: Provision for Taxation	6	(0.32)
Profit/ (Loss) after Tax	**22.75**	**(1.12)**

PERFORMANCE REVIEW

The Company posted a net profit of Rs. 22.75 lakhs for the year ended 31st March, 2021 against net loss of Rs. 1.12 lakhs in the previous year. The total revenue stands at Rs. 44.91 lakhs for the year ended 31st March, 2021 and Rs. 12.90 lakhs for the year ended 31st March, 2020.

TRANSFER TO RESERVE

The company has transferred an amount of Rs. 4.55 lakhs this year to special reserve account as per the requirements of Reserve Bank of India. Apart from this the Company has not proposed any transfer to its Reserves.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the company during the financial year 2020-21.

DIVIDEND

With a view to conserve the resources of the Company, your Directors do not recommend any dividend for the year under review 2020-21.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the company between the end of the financial year (31.03.2021) and the date of the report (30.06.2021) apart from the impact arising out of the COVID 19 pandemic.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your company does not have any subsidiary, joint venture or associate company.

SHARE CAPITAL

There is no change in the Share Capital of the Company during the year.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors' Responsibility Statement, setting out compliance with the accounting and financial reporting requirements specified under Section 134(3)(c) of the Companies Act, 2013, in respect of the financial statements, is furnished below and on behalf of the Board of Directors, it is hereby confirmed that:

1. In the preparation of the annual accounts for the financial year 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;

2. The directors had 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 31st March, 2021 and of the profit and loss of the company for that period;

3. The directors had 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;

4. The directors had prepared the annual accounts on a going concern basis;

5. The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and

6. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board comprises of an optimum mix of executive and non-executive directors including independent directors and a woman Director. The Board's composition and size is in compliance with the provisions of the Act and the Listing regulations. None of the Directors of the Company are disqualified for being appointed as Directors, as specified in section 164(2) of the Companies Act, 2013 and Rule 14(1) of the Companies (Appointment and Qualification of Directors) Rules, 2014.

The details of Directors of the Company and the remuneration drawn by them are given in the Extract of Annual Return which is annexed to this report as **Annexure- 1**.

a) Retirement by rotation

In accordance with the Articles of Association of the Company and Section 152 of the Companies Act, 2013, Mrs. Manisha Pincha (DIN 07143031) shall retire by rotation at the ensuing 31st Annual General Meeting of the Company and being eligible offers herself for re-appointment. The Board recommends her re-appointment. A brief resume of the Director being re-appointed as required under Regulation 36(3) of the Listing Regulations forms a part of the Notice convening the ensuing 31st Annual General Meeting.

b) Company Secretary & Compliance Officer

Mr. Jaspreet Singh Dhir resigned from the office of Company Secretary & Compliance Officer of the Company with effect from 26th December, 2020 and Ms. Sweta Singh was appointed as the Company Secretary & Compliance Officer of the Company with effect from 19th June, 2021.

Ms. Sweta Singh was also designated as the Key Managerial Personnel of the Company with effect from 19th June, 2021.

As on the date of this report, the following are the designated Key Managerial Personnel of the Company:

1. Mrs. Manisha Pincha – Wholetime Director
2. Mr. Krishna Gopal Halder – Chief Financial Officer
3. Ms. Sweta Singh– Company Secretary & Compliance Officer

c) Statement on Declaration given by Independent Directors Under Section 149(7) of Companies Act, 2013 and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations")

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as laid down in Section 149(6) of the Act, read with the Rules made thereunder and Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"). The Independent Directors of the Company have also complied with the Code for Independent Directors prescribed in Schedule IV to the Act.

d) Familiarization Programme Undertaken For Independent Directors

In compliance with Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations"), the Independent Directors are familiarized with the Company, their roles, rights, responsibilities therein, nature of the industry in which the Company operates, business model of the Company, etc. The familiarization programme imparted to the Independent Directors during the year with details required as per Regulation 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations") is available on the Company's website at the link: http://www.khatodinv.com/policies-codes.php.

MEETINGS OF THE BOARD OF DIRECTORS

The Board met five times during the year under review on 30th July, 2020; 15th September, 2020; 13th November, 2020; 18th November, 2020 and 13th February, 2021 in compliance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements), 2015. The intervening gap between the meetings is well within the period prescribed under the Companies Act, 2013 except for the first Board meeting for the F.Y 2020-21.

SEBI vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/38 dated 19th March, 2020 in addition with circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/110 dated 26th June, 2020 has exempted the listed entities from observing the time Gap between meetings of Board of Directors and Audit Committee.

The detailed information of the Meetings of the Board, are given in the Corporate Governance Report, which forms part of this Annual Report.

COMMITTEES

Audit Committee

The composition and terms of reference of the Audit Committee is in accordance with the provisions of the Act and the SEBI LODR Regulations. The same along with the details of the

Committee Meetings has been furnished in the Corporate Governance Report forming a part of the Annual Report. There has been no instance where the Board has not accepted the recommendations of the Audit Committee.

Nomination and Remuneration Committee

The composition and terms of reference of the Nomination and Remuneration Committee is in accordance with the provisions of the Act and the SEBI LODR Regulations. The same along with the details of the Committee Meetings has been furnished in the Corporate Governance Report forming a part of the Annual Report.

Stakeholders' Relationship Committee

The composition and terms of reference of the Stakeholders Relationship Committee is in accordance with the provisions of the Act and the SEBI LODR Regulations. The same along with the details of the Committee Meetings has been furnished in the Corporate Governance Report forming a part of the Annual Report.

NOMINATION AND REMUNERATION POLICY OF THE COMPANY

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is available on the Company's website at the link: http://www.khatodinv.com/pdf/polcies-codes/Nomination Remuneration Policy.pdf

FORMAL ANNUAL EVALUATION

Pursuant to the provisions of the Act and the SEBI LODR Regulations., the Nomination and Remuneration Committee and the Board has made the annual evaluation of the performance of the Board, its Committees and of individual directors. The evaluation was done on the basis of structured feedback forms which included parameters such as level of engagement and contribution, independence of judgments, maintenance of integrity, confidentiality, etc.
Further, in the separate meeting of Independent Directors held during the year under review, the performance of Non-Independent Directors, performance of the Board as a whole and the performance of the Chairperson was evaluated, and the quality, quantity, and timeliness of flow of information between the Company's Management and the Board was assessed.

The Directors expressed their satisfaction with the overall evaluation process.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return prepared in accordance with Section 92 of the Act, read with the Rules made there under in Form No. MGT-9 forms part of the Director's Report and is annexed herewith as **Annexure - 1.** The Annual Return for the year under review will also be available on the website of the Company: www.khatodinv.com under the investor relations category.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Audit Committee of the Board of directors actively reviews the adequacy and effectiveness of the internal control system and suggests improvements to strengthen the same. In the opinion of the Board, the existing internal control framework is adequate and commensurate to the size and nature of the business of the Company. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

RISK MANAGEMENT POLICY

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk reward tradeoff. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures. The Audit Committee oversees the risk management and mitigation which is reviewed by the Board periodically at its meetings. During the year under review, no major risks were noticed, which may threaten the existence of the Company.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given, securities provided or acquisition of securities by a non-banking financial company registered with Reserve Bank Of India, in the ordinary course of its business are exempted and thereafter no such disclosure is required to be given in the Annual Report.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered by the Company during the financial year under review with the related parties were in the ordinary course of business. The details of related party transactions are disclosed and set out in the notes to the financial statements forming part of the Annual Report.

The Policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website at the link: http://www.khatodinv.com/policies-codes.php.

DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There were no significant and material orders passed by the Regulators/Courts/Tribunals which would impact the going concern status of the Company and its future operations.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report as **Annexure 2.**

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013

The Company has adopted a Policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder, for prevention and redressal of complaints of sexual harassment at workplace. The Internal Complaints Committee, which has been constituted as per the aforesaid policy, reports to the Audit Committee of the Board of Directors of the Company on the complaints received and action taken by it during the financial year. It may be noted that, during the year, no complaint was lodged with the Internal Complaints Committee.

POLICY ON PREVENTION OF INSIDER TRADING

Your Company has adopted a Code of Practice & Procedure for fair disclosure as envisaged under SEBI (Prohibition of Insider Trading) Regulations, 2015 with a view to regulate trading

in equity shares of the Company by the Directors and designated employees of the Company. The said code of conduct is available on the website of the Company at the following link: http://www.khatodinv.com/policies-codes.php

VIGIL MECHANISM

Pursuant to the provisions of the Act and the Listing Regulations, the Company has formulated a Vigilance Mechanism/Whistle Blower Policy to provide a mechanism for Directors and Employees of the Company to report genuine concerns. The Whistle Blower's may approach the Vigilance Officer and the Vigilance Officer shall place the report/status of complaints received and resolved, if any, to the members of Audit Committee. Further, the aggrieved person can have direct access to the Chairman of Audit Committee. The Whistle Blower Policy also provides for adequate safeguards against victimization of persons who use such mechanism and is also available on the Company's website at the link: http://www.khatodinv.com/policies-codes.php

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is presented in separate section and is annexed to this report as **Annexure – 5.**

CORPORATE GOVERNANCE

A detailed report on Corporate Governance together with a certificate of compliance from a Practicing Company Secretary, as required under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, is presented in a separate section and is annexed to this report as **Annexure – 6 and 6C,** respectively.

CEO-CFO CERTIFICATION

The CEO-CFO certificate on the financial statements of the Company as required under Regulation 17(8) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is annexed to the Corporate Governance Report as **Annexure 6B**.

HUMAN RESOURCES

Your Company believes in best HR practices by providing its employees a world class working environment, giving them equal opportunities to rise and grow. We continue to implement the best of HR policies so as to ensure that talent retention is ensured at all levels. Employee relations continued to be cordial and harmonious at all levels and in all divisions of the Company during the year.

HEALTH, SAFETY AND ENVIRONMENTAL PROTECTION

Your Company has complied with all the applicable laws. The Company has been complying with relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

STATUTORY AUDITORS

Your Company at its 27th Annual General Meeting had appointed M/s. VKR & Associates, Chartered Accountants, as Statutory Auditors of the Company, for a period of 5 years beginning from the conclusion of 27th Annual General Meeting until the conclusion of 32nd Annual General Meeting of the Company on such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditor, plus taxes, as applicable and reimbursement of out-of-pocket expenses.

AUDITOR'S REPORT

There are no qualifications, reservations or adverse remarks made by M/s. VKR & Associates, Statutory Auditors, in their report for the financial year ended March 31, 2021. Pursuant to provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud during the year under review.

INTERNAL AUDITORS

Pursuant to Section 138 of the Companies Act, 2013 the company had appointed Mr. Krishan Kumar Bengani, Chartered Accountant, as the Internal Auditors of the company to carry out the internal audit of the company. The Internal Auditor reports to the Audit Committee of the Board and the Internal Audit report is also placed at the meetings of the Audit Committee for review.

SECRETARIAL AUDITOR AND REPORTS

Pursuant to Section 204 of the Companies Act, 2013 and the rules made thereunder, the company had appointed Ms. Prachi Todi, Practising Company Secretary, to conduct the secretarial audit of the company for the financial year 2020-21. The Secretarial Audit report for the financial year 2020-21 is annexed to this report as **Annexure 3A.** There are no qualifications, reservations or adverse remarks made by the Secretarial Auditor in her report.

Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company had appointed Ms. Prachi Todi, Practising Company Secretary, to check, on annual basis, on the compliances of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The Secretarial Compliance Report for the financial year 2020-21 is annexed to this report as **Annexure 3B** and there are no qualifications, reservations or adverse remarks in the report.

PUBLIC DEPOSIT

Being a Non-Banking Financial Company, the disclosures required as per Rule 8(5)(v)&(vi) of the Companies (Accounts) Rules, 2014, read with Section 73 and 74 of the Companies Act, 2013 are not applicable to your company. However, the Company has not accepted any deposits during the year under review.

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

Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134(3)(m) of the Companies Act, 2013, read with rule 8 of the Companies (Accounts) Rules, 2014 are given in **Annexure 4** and forms part of this report**.**

RBI GUIDELINES

Your company is complying with all the requirements of Reserve Bank of India for Non-Banking Finance Company. In terms of paragraph 9BB of the NBFC Regulations, the particulars as applicable to the Company are appended to the Financial Statements.

STATEMENT ON COMPLIANCES OF THE APPLICABLE SECRETARIAL STANDARDS

The Directors of your Company have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

COST AUDIT

Cost Audit is not applicable to your Company as per the provisions of Section 148 of the Companies Act, 2013.

COVID 19 PANDEMIC AND ITS IMPACT

The financial year 2020-21 began with unprecedented disruptions to lives and livelihood across the world and India was no exception. A stringent nationwide lockdown was imposed in India during the initial phase of the pandemic in March-June 2020. The entire economy started suffering shocks and the same has happened with the Company. The Registered Office of the Company was shut down during the lock down and the business of the Company faced adverse impacts. March to May, 2020 being the lockdown months, the revenue and profitability of the Company faced adverse impacts. The Company is monitoring the operations and the repayment capabilities of the borrowers and the borrowers have made requests to the Company for decreasing the rate of interest charged on borrowings.

ACKNOWLEDGEMENTS

Your Directors would like to place on record their sincere gratitude to the shareholders, bankers, business associates, customers, government and other regulatory agencies for their continued support and faith in the Company. Your Directors are also happy to place on record their appreciation for the whole-hearted co-operation, commitment and contribution made by all the employees and look forward to their continued support.

For and on behalf of the Board

Mrs. Manisha Pincha	**Mr. Pradeep Kumar Hirawat**	**Date: 30.06.2021**
Wholetime Director	**Director**	**Place: Kolkata**
DIN 07143031	**DIN 00047872**	

Annexure 1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
For the financial year ended on 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS

1.	CIN	L65993WB1990PLC084695
2.	Registration Date	19.04.1990
3.	Name of the Company	Khatod Investments & Finance Co Ltd
4.	Category/Sub-category of the Company	Public Company
5.	Address of the Registered office & contact details	8/1, Lal Bazar Street, Bikaner Building, 1st Floor, Room No. 10, Kolkata - 700001 Contact No. 033-44500500
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited 3A, Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata – 700017 Contact No.: 033-22806616/6617/6618

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Financial Services	64990	100

III. PARTICULARS OF HOLDING, SUBSDIARY AND ASSOCIATE COMPANIES

SN	Name of the Company	Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares	Applicable Section
-	-	-	-	-	-	-

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 [As on 31st-March-2020]				No. of Shares held at the end of the year [As on 31st-March-2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF	1733200	Nil	1733200	57.731	1733200	Nil	1733200	57.731	Nil
b) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp.	129100	Nil	129100	4.300	129100	Nil	129100	4.300	Nil
e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A)(1):	**1862300**	**Nil**	**1862300**	**62.031**	**1862300**	**Nil**	**1862300**	**62.031**	**Nil**
(2) **Foreign**									
a) NRIs-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b)Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d)Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e)Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A)(2) :	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
Total	**1862300**	**Nil**	**1862300**	**62.031**	**1862300**	**Nil**	**1862300**	**62.031**	**Nil**

Shareholding of Promoter (A) = (A)(1) + (A)(2)									
B. Public Shareholding									
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Central Govt/ State Govt(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(1):	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**	**Nil**
2. Non-Institutions									
a) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Indian	1062100	Nil	1062100	35.377	1062100	Nil	1062100	35.377	Nil
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	26199	51601	77800	2.591	26199	51601	77800	2.591	Nil

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Others (specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non Resident Indians/ Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Nationals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Foreign Bodies - D R	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (B)(2):	**1088299**	**51601**	**1139900**	**37.969**	**1088299**	**51601**	**1139900**	**37.969**	**Nil**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**1088299**	**51601**	**1139900**	**37.969**	**1088299**	**51601**	**1139900**	**37.969**	**Nil**
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	**2950599**	**51601**	**3002200**	**100.00**	**2950599**	**51601**	**3002200**	**100.00**	**Nil**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ankur Constructions Pvt. Ltd.	64900	2.162	Nil	64900	2.162	Nil	Nil
2	Loka Properties Pvt. Ltd.	64200	2.138	Nil	64200	2.138	Nil	Nil

3	Kusum Devi Dugar	100000	3.331	Nil	100000	3.331	Nil	Nil
4	Rekha Jhabak	35300	1.176	Nil	35300	1.176	Nil	Nil
5	Sheetal Dugar	150000	4.996	Nil	150000	4.996	Nil	Nil
6	Sunder Lal Dugar	80100	2.668	Nil	80100	2.668	Nil	Nil
7	Vinod Dugar	1367800	45.560	Nil	1367800	45.560	Nil	Nil

(iii)Change in Promoters' Shareholding

S.No.	**Particulars**	**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	**ANKUR CONSTRUCTIONS PVT LTD**				
	At the beginning of the year	64900	2.162	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	64900	2.162
2	**LOKA PROPERTIES PVT LTD**				
	At the beginning of the year	64200	2.138	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	64200	2.138
3	**KUSUM DEVI DUGAR**				
	At the beginning of the year	100000	3.331	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	100000	3.331
4	**REKHA JHABAK**				
	At the beginning of the year	35300	1.176	-	-

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	35300	1.176
5	**SHEETAL DUGAR**				
	At the beginning of the year	150000	4.996	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	150000	4.996
6	**SUNDER LAL DUGAR**				
	At the beginning of the year	80100	2.668	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	80100	2.668
7	**VINOD DUGAR**				
	At the beginning of the year	1367800	45.560	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No change during the year			
	At the end of the year	-	-	1367800	45.560

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

S.No.	**For Each of the Top 10 Shareholders**	**Shareholding at the beginning of the year**		**Cumulative Shareholding during the year**	
		No. of shares	**% of total shares of the company**	**No. of shares**	**% of total shares of the company**
1.	**NAMOKAR DUPLICATING PVT LTD**				
	At the beginning of the year	443500	14.773	-	-

	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	443500	14.773
2.	**PARAMDHAM MERCANTILE PRIVATE LIMITED**				
	At the beginning of the year	370000	12.324	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	370000	12.324
3.	**SAMSPA EXPO PVT LTD**				
	At the beginning of the year	120000	3.997	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	120000	3.997
4.	**VEEKAY APARTMENTS PVT LTD**				
	At the beginning of the year	120000	3.997	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	120000	3.997
5.	**BFM INDUSTRIES LIMITED**				
	At the beginning of the year	8600	0.286	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	8600	0.286
6.	**PRAVEEN KUMAR DAGA**				
	At the beginning of the year	3100	0.103	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	3100	0.103
7.	**PRAVEEN KUMAR DAGA**				

	At the beginning of the year	3000	0.100	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	3000	0.100
8.	**KRISHNA GOPAL SINHA**				
	At the beginning of the year	2900	0.097	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	2900	0.097
9.	**ASHOK ANAND**				
	At the beginning of the year	2600	0.087	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	2600	0.087
10.	**MANJU DEORA**				
	At the beginning of the year	2450	0.082	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	No changes during the year			
	At the end of the year	-	-	2450	0.082

(v) Shareholding of Directors and Key Managerial Personnel: As on 31.03.2021, none of the Directors or Key Managerial Personnel of the Company hold any shares of the Company.

S.No.	**Shareholding of each Directors and each Key Managerial Personnel**	**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**
	Name of Director/KMP				
	At the beginning of the year	-	-	-	-
	Changes during the year	-	-	-	-
	At the end of the year	-	-	-	-

Note: Mr. Jaspreet Singh Dhir ceased to be Key Managerial Personnel with effect from 26.12.2020 .
Ms. Sweta Singh was appointed as Company Secretary w.e.f 19.06.2021

(V) INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

(VI). REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		MANISHA PINCHA (WTD)	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	900000	900000
	(b) Value of perquisites u/s 17(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	-	-
	Total (A)	900000	900000
Ceiling as per the Act: The remuneration paid is as per the provisions of the Companies Act, 2013 and necessary approval from shareholders is taken.			

B. Remuneration to other director(s): Nil

SN.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non-Executive Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel		
		CS	CFO	Total
		Jaspreet Singh Dhir*	Krishna Gopal Halder	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	291774	167200	458974
	(b) Value of perquisites u/s 17(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	-	-	-
	Total	291774	167200	458974

Note: Mr. Jaspreet Singh Dhir resigned with effect from 26.12.2020 and Ms. Sweta Singh was appointed with effect from 19.06.2021.*

(VII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ending March 31, 2021.

Annexure 2

A. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2020-2021

1) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-21:

S.No.	Name of the directors/KMPs and designation	Remuneration of directors/KMPs for the financial year 2020-21	% increase in Remuneration in the financial year 2020-21	Ratio of Remuneration of each directors to the median remuneration of the employees
1	Manisha Pincha Wholetime Director	900000	-	3.08
2	Jaspreet Singh Dhir* Company Secretary	291774	-	N.A.
3	Krishna Gopal Halder Chief Financial Officer	167200	-	N.A.

** Mr. Jaspreet Singh Dhir resigned as Company Secretary w.e.f 26.12.2020*
Ms. Sweta Singh was appointed as Company Secretary w.e.f 19.06.2021

2) There were two permanent employees i.e whole-time director and chief financial officer on the rolls of company as on 31st March, 2021. Mr. Jaspreet Singh Dhir resigned as Company Secretary w.e.f 26.12.2020 and Ms. Sweta Singh was appointed as Company Secretary w.e.f 19.06.2021. Apart from this, there are no employees on the pay roll of the Company.

3) In the financial year 2020-21, there was a increase of 3.61% in the median remuneration of the employees (including whole-time director, company secretary and chief financial officer).

4) Average percentage increase already made in the salaries of employees other than Managerial Personnel in the financial year 2020-21 and its comparison with the percentage increase in the managerial remuneration and justification thereof and the detail of exceptional circumstances for increase in the managerial remuneration: Not applicable since there are no employees other than managerial personnel.

5) The explanation on the relationship between average increase in remuneration and company performance: the increase in remuneration of employees is in line with remuneration policy of the Company where employees are given increment as per their performance.

6) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The remuneration of the Key Managerial Personnel(s) are in line with the Remuneration Policy of the Company where their remuneration is determined based on their performance which is correlated to the performance of the Company. Further, remuneration of the KMP's is as per industry standard.

7) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. Further there is no variable component in the remuneration availed by the Directors.

8) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and

9) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

Note:

- The details/figures of remuneration given hereinabove are on the basis of actual payout during the year. The calculation of ratio and median are based on the actual remuneration paid to the employees during the year 2020-21.
- For the year 2020-21, the Company went for no increment in the remuneration. However, the change in remuneration in the current year as compared to previous year is due to deductions as per company's remuneration policy and working rules.

B. STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR 2020-21

During the year under review, there were no employees who were in receipt of remuneration aggregating to Rs. 1,02,00,000 (Rupees One Crore and Two Lakh) or more for the year or Rs. 8,50,000 (Rupees Eight Lakh and Fifty Thousand) or more per month for the part of the year. Further, there was no employee, neither throughout the financial year 2020-21 or part thereof, who received remuneration in excess of that drawn by the Wholetime director of the Company.

Further the names of Top Ten Employees of the Company in terms of remuneration drawn as on the financial year ended March 31st, 2021 is tabled hereunder:

Ranking	**1**	**2**	**3**
Name	Manisha Pincha	Jaspreet Singh Dhir*	Krishna Gopal Halder
Designation	Wholetime Director	Company Secretary & Compliance Officer	Chief Financial Officer
Age	40	30	39
Remuneration received	Rs. 900000/-	Rs. 291774/-	Rs. 167200/-

Nature of employment	Permanent and Wholetime	Permanent and Wholetime	Permanent and Wholetime
Qualifications and experience	Graduate; 6 years	M.Com, CS; 6 years	Graduate; 13 years
Date of commencement of employment	Has been on the Board as Non-Executive Woman Director since 27.03.2015. However, she was re-designated as Wholetime Director with effect from 10.05.2019.	05.10.2015	01.02.2020
Previous employment	Not Applicable	Not Applicable	Accounts Head - Veekay Apartments Pvt Ltd
Percentage of equity shares held in the company	Nil	Nil	Nil
Relationship with any director or manager	No relationship	No relationship	No relationship

Note: Only those employees have been considered in top ten who have been associated with the Company as on 31.03.2021 and their remuneration is on the basis of actual payout as on 31.03.2021.

**Mr. Jaspreet Singh Dhir resigned as Company Secretary w.e.f 26.12.2020*
Ms. Sweta Singh was appointed as Company Secretary w.e.f 19.06.2021

Annexure 3A

SECRETARIAL AUDIT REPORT

(FORM NO. MR-3)

FOR THE FINANICAL YEAR ENDED 31ST MARCH, 2021

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

To,
The Members,
KHATOD INVESTMENTS &FINANCE CO LTD
8/1, Lal Bazar Street, Bikaner Building
1st Floor, Room No.10
Kolkata - 700001

I have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s.KHATOD INVESTMENTS & FINANCE CO LTD**(hereinafter called "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 financial year ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

(i) The Companies Act, 2013 **('the Act')** and the rules made thereunder;
(ii) The Securities Contracts (Regulation) Act, 1956 **('SCRA')** and the rules made thereunder;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
(iv) 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, 2015;

c. The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 and other applicable regulations/guidelines/circulars as may be issued by SEBI from time to time to the extent applicable;
d. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations/ guidelines/ circulars as may be issued by SEBI from time to time to the extent applicable.

I further report that, during the year under review, there were no actions/events in pursuance of:

a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
c. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
d. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
e. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
f. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

Having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, I further report that the Company has complied with the following laws specifically applicable to the Company:

a. Rules, Regulations, Guidelines and Directions issued by the Reserve Bank of India for Non-Deposit taking NBFCs.

I have also examined compliance with the applicable clauses of the following:
(i) Secretarial Standards issued and mandated by the Institute of Company Secretaries of India.
(ii) The Listing Agreement entered into by the Company with the Calcutta Stock Exchange Limited.

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, 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. There were no changes in the composition of the Board of Directors during the year under review.

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

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees 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.

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

Prachi Todi
Practicing Company Secretary
M. No.: 53022
C.P. No.: 22964
UDIN: A053022C000547681

Date: 30th June, 2021
Place: Kolkata

"ANNEXURE – A"
(TO THE SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021)

To,
The Members,
KHATOD INVESTMENTS & FINANCE CO LTD
8/1, Lal Bazar Street, Bikaner Building
1st Floor, Room No.10
Kolkata - 700001

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

1. Maintenance of Secretarial Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.

2. I have followed the Audit practices and processes as where appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial Records. I believe that the processes and practices that were followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibilities of the management. My examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Prachi Todi
Practicing Company Secretary
M. No.: 53022
C.P. No.: 22964
UDIN: A0532022C000547681

Date: 30th June, 2021
Place: Kolkata

Note: *The COVID-19 outbreak has been declared as a global pandemic by the World Health Organization. Due to the ongoing lockdowns and in order to maintain social distancing norms, the documents for conducting the audit were obtained through electronic mode and verified with requirements. It is further stated that due to the ongoing pandemic, few compliances and intimations made to Stock Exchanges under relevant SEBI Regulations and compliances made as per the Companies Act, 2013 read with relevant rules were done within the extended period and relaxations granted by respective regulatory authorities*

Annexure 3B

SECRETARIAL COMPLIANCE REPORT
OF
KHATOD INVESTMENTS & FINANCE CO LTD

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021
[Pursuant to Circular No. CIR/CFD/CMDI/27/2019 dated 08/02/2019 issued by Securities and Exchange Board of India]

To,
The Members,
Khatod Investments & Finance Co Ltd
8/1, Lal Bazar Street, Bikaner Building
1st Floor, Room No. 10
Kolkata - 700001

I,Prachi Todi, Company Secretary in Practice have examined:

(a) all the documents and records made available to me and explanation provided by **M/sKhatod Investments & Finance Co Ltd** ("the Listed Entity").

(b) the filings/submissions made by the Listed Entity to the stock exchanges,

(c) website of the Listed Entity,

(d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended on 31st March, 2021 ("Review Period") in respect of compliance with the provisions of:

(i) the Securities and Exchange Board of India Act, 1992 **("SEBI Act")** and the Regulations, circulars, guidelines issued thereunder; and

(ii) the Securities Contracts (Regulation) Act, 1956 **("SCRA")**, rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India **("SEBI")**.

The specific Regulations, whose provisions and the circulars /guidelines issued thereunder, have been examined, include:-

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

(b) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(c) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
(d) Securities and Exchange Board of India (Depository and Participants) Regulations, 2018;

(e) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;

(f) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - **Not Applicable for the review period**

(g) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; -**Not Applicable for the review period**

(h) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; -**Not Applicable for the review period**

(i) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; -**Not Applicable for the review period**

(j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; -**Not Applicable for the review period**

(k) Clause 6(A) and 6(B) of the SEBI circular no. CIR/CFD/CMD1/114/2019 dated 18th October, 2019.

Based on the above examination, I hereby report that, during the review period:

(a) The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except in respect of matters specified below:-

Sl. No.	**Compliance Requirement (Regulations/circulars/ guidelines including specific clause)**	**Deviations**	**Observations/Remarks of the Practicing Company Secretary**
N.A.			

(b) The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder insofar as it appears from my examination of those records.

(c) The following are the details of actions taken against the Listed Entity/its promoters/directors/material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/ guidelines issued thereunder:

Sl.No.	**Action taken by**	**Details of violation**	**Details of action taken E.g. fines, warning letter, debarment, etc.**	**Observations/ remarks of the Practicing Company Secretary, if any.**
Not Applicable				

(d) The Listed Entity has taken the following actions to comply with the observations made in previous reports

Sl.No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Not Applicable				

Prachi Todi
Practicing Company Secretary
M. No.: 53022
C.P. No.: 22964
UDIN: A053022C000547802

Date: 30th June, 2021
Place: Kolkata

Annexure 4

DISCLOSURE OF PARTICULARS UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

The particulars of energy, technology absorption, foreign exchange earnings and outgo, in the manner as prescribed in Rule 8(3) of the Companies (Accounts) Rules, 2014, are as follows:

A	**CONSERVATION OF ENERGY**	
a)	Steps taken or impacts on conservation of energy	Nil
b)	Steps taken by the company for utilising alternate sources of energy	Nil
c)	Capital investment on energy conservation equipments	Nil

B	**TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION**	
a)	Efforts made towards technology absorption,	Nil
b)	Benefits derived like product improvement, cost reduction, product development or import substitution.	Nil
c)	In case of imported technology (imported during last 5 years reckoned from the beginning of the financial year), following information may be furnished:	
i)	Technology imported	Nil
ii)	Year of import	N.A.
iii)	Has technology been fully absorbed?	N.A.
iv)	If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action	N.A.
d)	Expenditures incurred on Research & Development	N.A.

C.	**FOREIGN EXCHANGE EARNINGS AND OUTGO**	
a)	Foreign Exchange earned in terms of actual inflows during the year	Nil
b)	Foreign Exchange outgo during the year in terms of actual outflows	Nil

Annexure - 5

MANAGEMENT DISCUSSION AND ANALYSIS

Khatod Investments & Finance Co Ltd is a non-deposit taking Non Banking Financial Company (NBFC-ND) registered with the Reserve Bank of India (RBI). It is engaged in the business of investment and lending.

COVID-19 PANDEMIC, LOCKDOWN AND ITS IMPACT

The financial year 2020-21 began with unprecedented disruptions to lives and livelihood across the world and India was no exception. A stringent nationwide lockdown was imposed in India during the initial phase of the pandemic in March-June 2020. The impact of pandemic and lockdown was disproportionately felt across industries. The pandemic posed unprecedented dilemma before policymakers – lives vs livelihoods and flattening the twin curves of pandemic and the resultant recession. India experienced first economic recession in 4 decades. Indian economy shrunk by 24.4% in Q1 FY 2020-21.

The Company "Khatod Investments & Finance Co Ltd" took the necessary measures to manage somehow in these testing times. The registered office of the Company was shut down during the lock down. The Company adopted the policy of work from home so that the continuity of work at the administrative level could be maintained. The Company resumed its operations from the month of June and is taking utmost care of its staff and work force. The pandemic of COVID-19 is having an adverse impact on the business of the Company.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The NBFC sector continued to grow its share in the financial services industry. While the importance of NBFCs in credit intermediation continued to grow, repayment default by a systemically important NBFC in September 2018 brought to focus asset-liability mismatches of the sector — where some NBFCs were more impacted than the others. The RBI's moratorium measure for customers is likely to put additional stress on many NBFCs.

The COVID-19 pandemic is also expected to result in deterioration in the asset quality of the financial sector. NBFCs too will face similar pressures. Early indicators of non-delinquent customers opting for moratoriums reflect a considerable level of anxiety from customers. It remains to be seen how this anxiety eases when economic activities resume. A long-drawn lockdown or frequent lockdowns of economic activities may require the RBI to frame forbearance policies for impacted borrowers like a comprehensive one-time restructuring of loans without impacting asset classification. Such a one-time restructuring framework would enable financial sector to continue to lend and also provide customers adequate time to recover from the economic crisis and honour their obligations.

OPPORTUNITIES AND THREATS

With multiple schemes like Pradhan Mantri Jan Dhan Yojana (PMJDY) and Pradhan Mantri Mudra Yojana, among others, the Government of India has laid greater emphasis on furthering financial inclusion Increasing consumerism boosting retail lending – The COVID-19 crisis is expected to alter the dynamics of India's retail credit market, bringing a new beginning to the economy's retail lending NBFCs can serve the niche segments in partnerships with fintechs. This will lead to increased synergies between NBFCs and fintechs NBFC-fintech collaboration coupled with digitisation efforts and regulatory norms for data security will help address the credit gap MSME is a sector with huge potential for growth with limited access to funds from traditional banks and Financial Institutions.

However, there looms a threat that the margin may be affected due to the adverse trends in stock prices of the related securities. The major threats to the lending and financing segment includes high cost of funds, rising non-performing assets (NPAs), competition from other NBFCs and banks, etc. Another major threat is the delay in payment or no payment of the existing EMI's and more and more moratorium requests.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company has identified that its operating activity is a single primary business segment viz. Investment and lending business carried out in India. Accordingly, whole of India has been considered as one geographical segment.

OUTLOOK

With the economic activity gaining momentum post COVID-19 lockdown and rollout of coronavirus vaccines, the Indian economy is likely to do better. However, the second wave of COVID-19 currently sweeping the country, rising input prices, stress in the Micro, Small and Medium-sized Enterprises sector, and a weak labour market are some of the headwinds facing India's economic revival. Monetary and fiscal support will remain crucial. IMF has projected growth rate of 12.5% for India in 2021.

RISK AND CONCERNS

The Company's business is exposed to several financial and market risks. However your Company's business model is efficient enough to manage the risks associated with the business opportunities. The risks are vigilantly monitored and managed with proper understanding upon thorough considerations of market conditions, adequate systems, checks and balances duly in place considering the business objective, risk absorbing capacity and capital deployment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls commensurate with the size and nature of its business. Internal Control and Audit is an important procedure and its effectiveness is reviewed by the Audit committee of the Company on a quarterly basis. The Company has also a well-defined organization structure, authority level and internal rule and regulations. These have been designed to ensure effective and efficient operation and compliance of applicable laws and regulations and to provide reasonable assurance that all assets are safeguarded; transactions are authorized, recorded and reported correctly.

FINANCIAL PERFORMANCE

During the year under review, the financial performance of your Company was as follows:

Particulars	2020-21	2019-20
Total revenue	4490810	1290052
Profit/Loss Before Tax	2874351.02	(143933)
Profit After Tax	2274351.02	(111838)
EPS	0.76	(0.04)

HUMAN RESOURCE DEVELOPMENT

Your Company always considers Human Resource as its most valuable asset and therefore continuously tries to frame such policies that are effective enough to retain its substantial pool of managerial resources through friendly work environment that encourages the employees to give their best and contribute to the maximum in the growth of the Company. Employees' relations continued to be harmonious throughout the year with the

management. The Company is taking utmost care of its staff and work force like sanitization, social distancing, mandatory mask wearing, maintaining proper hygiene, etc.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

The changes in the key financial ratios are mentioned herein below:

Particulars	2020-21	2019-20	Reason for significant changes
PBT/Total Income	0.64	(0.11)	Due to profit in Current Year.
PBT/Total Assets	0.0049	(0.0002)	Due to profit in Current Year.
Debt Equity Ratio	0.04	0.13	Due to decrease in the total debt.
Operating Profit Margin	0.64	(0.11)	Due to proft in Current Year.
Net Profit Margin	0.51	(0.09)	Due to profit in Current Year.

CHANGE IN RETURN ON NET WORTH

The change in the return on net worth is as under:

Particulars	2020-21	2019-20	Reason for significant changes
Return on Net Worth	0.004	(0.0002)	Due to profit in Current Year.

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations may be considered to be "forward looking statements" within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. The important factors that could make a difference to the Company's operations are changes in the government regulations, tax laws, other statutes and other incidental factors. The Company assumes no responsibility nor is under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

For and on behalf of the Board

Date: 30.06.2021
Place: Kolkata

Mrs. Manisha Pincha
Wholetime Director
DIN 07143031

Annexure - 6

REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance contains a set of guidelines, principles, processes and systems to be followed by the Directors, the management and all the employees of the Company for increasing transparency and accountability to the shareholders in particular and other stakeholders in general. Your Company's philosophy is to continue to enhance stakeholders' value and customers' satisfaction by consistently endeavoring to follow the best Corporate Governance practices.

BOARD OF DIRECTORS

The Board of Directors have ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. In terms of the Company's Corporate Governance policy, all statutory and other significant and material information are placed before the Board to enable it to discharge its responsibility of strategic supervision of the Company as trustees to the shareholders.

Composition

The Company has an optimum combination of Executive and Non-Executive Directors. As on 31st March, 2021, the Company has four directors on its Board out of which one is Wholetime Director, three are Non-Executive Directors. Out of three Non-Executive Directors, two are Independent Directors. The Wholetime Director of the Company also fulfills the requirement of a Woman Director on the Board.

The details of each member of the Board as required under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31.03.2021 are mentioned below:

Name, Designation and Category	**No. of other Directorship(s) #**	**Membership(s) /Chairmanship (s) of Board Committees of other companies##**	**Name(s) of listed entities where the Director is a Director and category of Directorship**
Mrs. Manisha Pincha Wholetime Director Executive & Professional	2	Nil	BFM Industries Ltd. Non-Executive
Mr. Pradeep Kumar Hirawat Director Non-executive & Independent	19	Nil	Nil

Mr. Manish Jain Director Non-executive & Independent	Nil	Nil	Nil
Mr. Shambhu Choubey Director Non-executive	19	Nil	Nil

#*Only Indian Companies are considered.*

##*Only memberships/chairmanships of the Audit Committee and Stakeholders Relationship Committee are considered.*

Notes:

1. The Directorship/Committee membership is based on the Disclosures received from the Directors as on 31.03.2021.
2. None of the Directors holds Directorships in more than 20 companies pursuant to Section 165 of the Companies Act, 2013.
3. None of the Directors holds Membership and/or Chairmanship of any Committee exceeding 10 Companies and/or 5 Companies respectively as per SEBI (Listing Regulations).
4. There is no relationship, in terms of the Companies Act, 2013, between any of the Directors of the Company.
5. Non-executive Directors do not hold any shares of the Company.

Mrs. Manisha Pincha retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment.

As required under Regulation 36(3) of the Listing Regulations, a brief resume of the Director seeking re-appointment is appended to the Notice convening this AGM.

Number and dates of Board Meetings held during the year

During the financial year ended 31st March, 2021, 05(Five) Board meetings were held as follows:

S. No.	Date of the Meeting	Board strength	No. of Directors present
01	30.07.2020	4	4
02	15.09.2020	4	4
03	13.11.2020	4	4
04	18.11.2020	4	4
05	13.02.2021	4	4

Attendance of Directors at the Board Meetings held during the year and at the last Annual General Meeting

Name of Director	No. of Board Meetings attended	Attendance at last AGM (30.09.2020)
Mrs. Manisha Pincha	5	Yes
Mr. Pradeep Kumar Hirawat	5	Yes
Mr. Manish Kumar Jain	5	No
Mr. Shambhu Choubey	5	Yes

Independent Director – Separate Meeting & Familiarisation Programmes

Pursuant to the provisions of the Act, read with Schedule IV thereto, a separate Meeting of Independent Directors was held on 13th February, 2021. The Meeting was attended by Mr. Pradeep Kumar Hirawat and Mr. Manish Kumar Jain. Mr. Pradeep Kumar Hirawat was elected as the Lead Independent Director. The matters discussed at the Meeting of Independent Directors, inter-alia, included a review of the performance of Non-Independent Directors and the Board as a whole, review of performance of the Chairperson of the Company and the assessment of the quality, quantity and the timeliness of flow of information between the Management and the Board.

The Board of Directors of the Company is of the opinion that the Independent Directors of the Company fulfill the conditions specified in the Act and the Listing Regulations and are independent of the Management.

In terms of Regulation 25(7) of the Listing Regulations, the Company organizes familiarization programmes for its Independent Directors to provide insights into the Company's operations. The Company periodically conducts presentations/programs to familiarize the Independent Directors with its strategy, operations and functions inclusive of important developments in various business divisions, and new initiatives undertaken by it. The details of programmes for familiarization of Independent Directors with the Company, including their duties and related matters are available on the website of the Company at http://www.khatodinv.com/policies-codes.php.

Skills/Expertise/Competencies of the Board

Pursuant to the provisions contained in the Listing Regulations, the Board of Directors of the Company has identified various skills, expertise and competencies that the Board requires and possesses. These are provided below:

Director Name	Skills/Expertise/Competencies					
	Leadership skills	Business experience	Finance and accounting knowledge and expertise	Competency with information technology	Strategic planning	Good and ethical governance
Mrs. Manisha Pincha	✓	✓	✓	✓		✓

Mr. Pradeep Kumar Hirawat	✓	✓	✓	✓	✓	✓
Mr. Manish Jain	✓	✓	✓	✓		✓
Mr. Shambhu Choubey	✓	✓			✓	✓

Note:
The absence of a mark against the Director's name does not necessarily mean that the Director does not possess the corresponding qualification or skill.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas/activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board, to carry out clearly defined roles. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Minutes of the meetings of all the Committees are placed before the Board for review. The Board has established the following Committees:

Audit Committee

The Audit Committee of the Company acts as a link between the Management, the Statutory Auditors and the Board of Directors. The Audit Committee, *inter alia*, provides reassurance to the Board on the existence of an effective internal control environment that ensures:

The Audit Committee is empowered, pursuant to its terms of reference, *inter alia*, to:

- To investigate any activity within its terms of reference.
- To seek information from any employee.
- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if it considers necessary.
- To have full access to information contained in the records of the Company.

The role of the Audit Committee includes the following:

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 134 of Companies Act, 2013.
b) Changes, if any, in accounting policies and practices and reasons for the same
c) Major accounting entries involving estimates based on the exercise of judgment by management
d) Significant adjustments made in the financial statements arising out of audit findings
e) Compliance with listing and other legal requirements relating to financial statements
f) Disclosure of any related party transactions
g) Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;

6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;

10. Valuation of undertakings or assets of the company, wherever it is necessary;

11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

17. To look into the reasons for substantial defaults in the payment to the depositors,

debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

18. To review the functioning of the Whistle Blower mechanism;

19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition of the Audit Committee

As on 31st March, 2021, the Committee comprised of three Directors out of which two including the Chairman were Independent Directors. All the members of the Committee are financially literate and the Chairman of the Committee has accounting and financial management expertise.

Details of members and their attendance at the meetings

S. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Pradeep Kumar Hirawat	Chairman	4	4
2	Mr. Manish Kumar Jain	Member	4	4
3	Mrs. Manisha Pincha	Member	4	4

During the financial year ended 31st March, 2021, four meetings of the Audit Committee were held as follows:

S. No.	Date of the meeting	Attendance
1	30.07.2020	3
2	15.09.2020	3
3	13.11.2020	3
4	13.02.2021	3

Nomination & Remuneration Committee

The role of the Nomination & Remuneration Committee of the Company shall *inter alia* include the following:

1. To determine the compensation packages of Executive Directors and Senior Managers of the Company. The committee will review recommendations made to it by the Company and others;
2. To act as the duly authorized Committee of the Board;
3. To determine the parameters and supervise the operation of the bonus schemes of the Company;

4. To investigate any activity within its terms of reference;
5. To seek any information from any employee of the Company. Employees are directed to cooperate with any relevant request made;
6. To obtain outside legal or independent professional advice. Such advisors may attend meetings as necessary;
7. To incur such reasonable expenditure, as it deems necessary;
8. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
9. Formulation of criteria for evaluation of Independent Directors and the Board;
10. Devising a policy on Board diversity; and
11. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.

Composition of the Nomination & Remuneration Committee

As on 31st March, 2021, the Committee comprised of three Directors and was headed by a Non-Executive Independent Chairman.

Details of members and their attendance at the meetings

S. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Pradeep Kumar Hirawat	Chairman	1	1
2	Mr. Manish Kumar Jain	Member	1	1
3	Mr. Shambhu Choubey	Member	1	1

During the financial year 2020-21 one meetings of the Nomination & Remuneration Committee were held.

S. No.	Date of the meeting	Attendance
1	30.07.2020	3

Performance Evaluation of Directors

Pursuant to the provisions of Section 178 of the Act and Regulation 17(10) of the Listing Regulations, the Nomination and Remuneration Committee and the Board has carried out the performance evaluation of the Board as a whole, the Directors individually (including Independent Directors), the Chairperson of the Company and the working of the Committees of the Board.
The criteria used for evaluation of the performance of the Independent Directors includes inter alia personal integrity, ethical standards, confidentiality, knowledge of the institution's key activities, deliberations or committee work, understanding of governance, etc.

Nomination & Remuneration Policy

The Company has adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel and Senior Management. The policy is placed on the website of the Company at the link: http://www.khatodinv.com/policies-codes.php.

Details of Remuneration of the Directors for the financial year ended 31st March, 2021

Name of Director	Consolidated Salary	Perquisites and other Benefits	Performance bonus/ Commission	Sitting Fees	Total
Mrs. Manisha Pincha	Rs. 900000/-	Nil	Nil	Nil	Rs. 900000/-

Nomination and Remuneration Committee recommends the remuneration for the Executive Directors and Key Managerial Personnel and the same is then approved by the Board and Shareholders, where required. The remuneration paid to Executive Directors is determined keeping in view the industry benchmark and the relative performance of the Company to the industry performance. No remuneration (including sitting fee) has been paid to the Non-Executive Directors in the financial year 2020-21.

No Non-Executive Director has held any shares and/or convertible instruments in the Company.

There is no other pecuniary relationship or transactions with the Non-Executive Directors vis-à-vis the Company. Also, the Company has no stock option plans and hence, such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director.

Details of Fixed Components and Performance Linked Incentives

As per the remuneration approved by the shareholders, apart from the salary, no performance linked incentive is paid to any of the Directors.

Service Contract, Notice Period and Severance Fees

During the year under review, the Company has received Resignation letter of Mr. Jaspreet Singh Dhir, Company Secretary and Compliance Ofiicer of the Company on 26th November, 2020. He served a notice period of one month and resigned from the position of Company Secretary and Compliance Ofiicer w.e.f the closure of working hours on December 26, 2020.Apart from this there were no service contracts, notice period and service fees paid.

Stakeholders Relationship Committee

The Stakeholders Relationship Committee of the Company shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends. The Committee also meets as and when required for approving share transfers. All valid requests for share

transfers received during the year have been acted upon and there are no share transfer requests pending as on 31.03.2021.

Functions and Powers

- To review statutory compliance regarding share and debenture holders (Investors).
- To review various reports related to Investors;
- To review grievances of Investors;
- To review transfer of shares;
- To review transmission of shares;
- To review deletion of names from share certificates;
- To review change of name of Member on share certificates;
- To review issue of duplicate share certificates;
- To review dematerialization of shares and
- Any other matter relating to the above-mentioned functions incidental to the shareholders/investors of the Company.

In accordance with the provisions of the Listing Regulations, the power to execute transfers, transmissions, etc. of shares in the physical form has been delegated to the Registrar & Share Transfer Agent.

Composition of Stakeholders Relationship Committee

As on 31st March, 2021, the Committee comprised of three directors and was headed by a Non-executive Director.

Details of members and their attendance at the meetings

S. No.	Name	Position	No. of Committee Meetings	
			Held	Attended
1	Mr. Pradeep Kumar Hirawat	Chairman	4	4
2	Mrs. Manisha Pincha	Member	4	4
3	Mr. Manish Kumar Jain	Member	4	4

During the financial year ended 31st March, 2021, (04) four meetings of the Stakeholders Relationship Committee were held as follows:

S. No.	Date of the meeting	Attendance
1	30.07.2020	3
2	15.09.2020	3
3	13.11.2020	3
4	13.02.2021	3

Mr. Jaspreet Singh Dhir, Company Secretary of the Company was acting as the Compliance Officer of the Company till the closure of business hours on 26th December, 2020.

Details of shareholders' complaints

(a) Number of shareholders' complaints received during the year : Nil
(b) Number of shareholders' complaints resolved during the year : Nil
(c) Number of complaints not solved to the satisfaction of shareholders : Nil
(d) Number of complaints pending : Nil

GENERAL BODY MEETINGS

Annual General Meetings

Date, time, venue and the special resolutions passed in the last three Annual General Meetings are as under:

Particulars	**F.Y 2019-20**	**F.Y. 2018-2019**	**F.Y. 2017-2018**
Meeting	30th AGM	29th AGM	28th AGM
Day & Date	30.09.2020 Wednesday	27.09.2019 Friday	27.09.2018 Thursday
Time	03:00 P.M.	04:00 P.M.	04:00 P.M.
Venue	The Aryans School, 149, B.T. Road, Kolkata – 700 058	The Aryans School, 149, B.T. Road, Kolkata – 700 058	The Aryans School, 149, B.T. Road, Kolkata – 700 058
Special Resolution, if any, passed	No Special Resolution was passed	1. Re-designation of Mrs. Manisha Pincha (DIN: 07143031) from Non-Executive Director to Wholetime Director of the Company, for a term of five (5) consecutive years	2. Re-appointment of Mr. Pradeep Kumar Hirawat as Independent Director 3. Re-appointment of Mr. Manish Kumar Jain as Independent Director

Extraordinary General Meetings
No Extraordinary General Meeting was held during the financial year 2020-21.

Postal Ballot
Special Resolution passed through postal ballot last year : Nil
Items proposed to be conducted through postal ballot this year : Nil
Disclosures relating to postal ballot are not applicable.

CODE OF CONDUCT

Code of Conduct for Directors and Senior Management

The Company is consistently endeavoring to conduct its business in accordance with the highest standards of business ethics and to comply with applicable laws, rules and regulations. It believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems to commensurate with the risks involved. The Board of Directors has adopted the Code of

Conduct for the Directors and Senior Management ("the Code"). A copy of the Code has been put on the Company's website at http://www.khatodinv.com/policies-codes.php.

All Directors and Senior Management Personnel have affirmed compliance with the Code and a declaration to this effect, signed by the Whole-time Director of the Company, is attached to this report as **Annexure – 6A.**

Code of Insider Trading

The Board of Directors has also adopted Code of Practices and Procedures for Fair Disclosure of Unpublished Price sensitive information. A copy of the aforesaid Code has been put on the Company's website at http://www.khatodinv.com/policies-codes.php

CEO - CFO CERTIFICATION

The CFO and the Wholetime Director of the Company have given a certificate on financial reporting and internal controls to the Board in terms of the Listing Regulations which is attached to this Report as **Annexure – 6B.**

OTHER DISCLOSURES

Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large

There is no materially significant related party transaction entered i.e. any transaction of material nature, with its promoters, directors or the management or relatives, etc. that may have potential conflict with the interest of the Company at large, other than in the normal course of business. The transactions with related parties have been disclosed in Note No. 19.3 in Notes to the Accounts forming part of the accounts for the year ended 31st March, 2021.
The Company has formulated a policy to govern its Related Party Transactions and the same has been uploaded on the website at the link: http://www.khatodinv.com/policies-codes.php

Statutory Compliances

The Company is generally regular in complying with the requirements of the regulatory authorities on the matters relating to the capital market and no penalties / strictures have been imposed on the Company by the Stock Exchanges or any statutory authority, during last three years.

Whistle Blower Policy/Vigil Mechanism

The Company believes in promoting ethical behaviour and accordingly there is a mechanism for reporting unethical behaviour, actual or suspected fraud or violation against its Code of Conduct. It has formulated a Whistle Blower Policy, the main objective of which is to provide adequate safeguard measures against victimization of employees.
The Policy is also placed on the website of the Company at the link: http://www.khatodinv.com/policies-codes.php.
It is noted that none of the officials/personnel of the Company has been denied access to the Audit Committee. The Vigilance Officer/Chairman of Audit Committee has not received any complaint during the financial year ended 31st March, 2021.

Adoption of Mandatory and Non Mandatory Requirements as per the Listing Regulations

The Company duly complied with all the mandatory requirements of the Listing Regulations and the requirements of the Stock Exchanges. It has also complied with the discretionary requirements as specified in Part E of Schedule II of the Listing Regulations as far as they are applicable to it and also with the Secretarial Standards - 4 on Report of the Board of Directors issued by the Institute of Company Secretaries of India.

The status of compliance with discretionary requirements specified in Para E of Schedule II of the Listing Regulations is provided below:

(i) The Board: The Board has no designated Chairperson.

(ii) Shareholder Rights: The official news release and other related information, if any, are displayed on the website of the Company. These are not sent individually to the Shareholders.

(iii) Audit Qualifications: There are no audit qualifications on the Company's Financial Statements for the year ended 31st March, 2021.

(iv) Reporting of Internal Auditor: The Internal Auditor may report directly to the Audit Committee as and when required.

Disclosure of Accounting Treatment

In preparation of Financial Statements, the Company has followed the Accounting Standards issued by The Institute of Chartered Accountants of India. The significant Accounting Standards have been set out in the notes to Accounts of the Audited Accounts.

Management Discussion and Analysis Report (MDA)

MDA forms part of the Directors' Report and the same is attached separately in this Annual Report.

Compliance certificate from Company Secretary in Practice

Ms. Prachi Todi (Membership No. 53022; COP No. 22964), Company Secretary in Practice has certified that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the Listing Regulations and the same is annexed to this report as **Annexure - 6C**.

Certificate of Non-Disqualification of Directors from Company Secretary in Practice

Ms. Prachi Todi (Membership No. 53022; COP No. 22964), Company Secretary in Practice has certified that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Ministry of Corporate Affairs or any such authority and the same is annexed to this report as **Annexure – 6D.**

Risk Management Policy

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enhancing shareholders' value and providing an optimum risk reward tradeoff. The risk management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

Dividend Payment Date

The Company has not declared any dividend for the relevant Financial Year 2020-21.

Sexual Harassment of Women at Workplace

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

a) Number of complaints filed during the financial year:	Nil
b) Number of complaints disposed of during the financial year:	Nil
c) Number of complaints pending as at the end of the financial year:	Nil

The total fees for all services paid by the listed entity, on a consolidated basis, to M/s VKR & Associates, the Statutory Auditor, and all entities in the network firm/network entity of which the Statutory Auditor is a part, amounts to Rs. 23,600/- (Rupees Twenty Three Thousand Six Hundred Only) for the financial year ended 31st March, 2021.

Commodity price risk, foreign exchange risk and hedging activities

The Company does not deal in commodities and is not exposed to foreign exchange risk and hedging activities. Thus, the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given.

MEANS OF COMMUNICATION

a) The quarterly financial results and annual audited financial results are published in widely circulated newspapers viz. The Financial Express in English and Duranta Barta in Bengali. These results of the Company are also sent to The Calcutta Stock Exchange Ltd. immediately after the conclusion of the Board Meetings.
The Company's financial results are even displayed on the website of the Company, www.khatodinv.com.

b) The Company's website does not display any official news releases.

c) No presentation was made to the institutional investors or to the analysts during the year under review.

d) Annual Report containing, *inter alia*, Directors' Report, Auditors' Report, Audited Annual Accounts and other important information is circulated to members and others entitled thereto.

RECONCILIATION OF SHARE CAPITAL

As per Regulation 76 of the Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018 {erstwhile Regulation 55A of the Securities and Exchange

Board of India (Depositories & Participants) Regulations, 1996}, report on Reconciliation of Share Capital Audit issued by Ms. Prachi Todi (Membership No: A53022; COP: 22964), Company Secretary in Practice, confirming that the total issued capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with National Securities Depository Limited and Central Depository Services (India) Limited, is placed before the Board on a quarterly basis and also submitted to the Calcutta Stock Exchange.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting for F. Y. 2020-21

Date and Day	:	Thursday, 30th September, 2021
Venue	:	The Aryans School, 149, B.T. Road, Kolkata – 700 058
Time	:	3:00 p.m.

Tentative Financial Calendar

Financial year: 1st April, 2021 to 31st March, 2022

For the year 2021-22, the results are likely to be adopted:

- on or before 14th August 2021 : First quarter (Un-audited)
- on or before 14th November 2021 : Second quarter (Un-audited)
- on or before 14th February 2022 : Third quarter (Un-audited)
- on or before 30th May 2022 : Annual (Audited)

Listing on Stock Exchange

The Calcutta Stock Exchange Ltd.
7, Lyons Range, Kolkata – 700 001
Website: www.cse-india.com

Annual Listing fee for the Financial Year 2021-22 has been paid.

Depositories

Name of the Depository	Address of the Depository	Website
National Securities Depository Ltd.	Trade World, Kamala Mills Compound, Lower Parel, Mumbai – 400 013	www.nsdl.co.in
Central Depository Services (India) Limited	Marathon Futurex, A-wing, 25th Floor, NM Joshi Marg Lower Parel, Mumbai-400 013	www.cdslindia.com

The International Securities Identification Number (ISIN) allotted to Company's securities under the Depository system is **INE816C01017**.

Stock Code

The Calcutta Stock Exchange Ltd.
Code No. : 21083

Market price data

There was no trading in shares of the Company at The Calcutta Stock Exchange Ltd. during the financial year 2020-21.

Registrar & Share Transfer Agents

M/s Niche Technologies Private Limited
3A, Auckland Place,
7th Floor, Room No. 7A & 7B,
Kolkata – 700 017
Phone No. 033-2280-6616/17/18
Fax No. 033-2280-6619
E-mail: nichetechpl@nichetechpl.com
Contact Person – Mr. S. Abbas (Sr. Manager – Systems)

Share Transfer System

The share transfer requests received by the Company/Registrar & Share Transfer Agent are processed expeditiously provided the documents are complete and shares under transfer are not under dispute. Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories – National Securities Depository Limited ("NSDL")/Central Depository Services (India) Limited ("CDSL") within stipulated period. In terms of requirements of the amendments to Regulation 40 of the Listing Regulations transfer of securities held in physical form shall not be processed w.e.f 31st March, 2019. The transfer of securities shall be carried out only if it is held in the dematerialized form with a depository.

Distribution of Shareholding

Distribution of shareholding by size as on 31st March, 2021:

Range of Shares	Number of Shareholders	% of Shareholders	No. of Shares	% of Shares
Up to 500	98	62.8205	26750	0.8910
501 – 1000	36	23.0769	29900	0.9959
1001 – 5000	10	6.4103	21150	0.7045
5001 – 10000	1	0.6410	8600	0.2865
10001 – 50000	1	0.6410	35300	1.1758
50001 – 100000	4	2.5641	309200	10.2991
100001 and above	6	3.8462	2571300	85.6472
Total	**156**	**100.00**	**3002200**	**100.00**

Distribution of shareholding by category as on 31st March, 2021:

Category	Number of Shares	% to Total
Promoters and Promoter Group	1862300	62.03
Banks, Financial institutions etc.	Nil	Nil
Private corporate bodies	1062100	35.38
Indian Public	77800	2.59

NRIs/ OCBs	Nil	Nil
Clearing Members	Nil	Nil
Total	**3002200**	**100.00**

Details of shares held by Directors as on 31st March, 2021:

Name of Director	**No. of Equity Shares**	**% of Total holding**
Mrs. Manisha Pincha	Nil	Nil
Mr. Manish Kumar Jain	Nil	Nil
Mr. Pradeep Kumar Hirawat	Nil	Nil
Mr. Shambhu Choubey	Nil	Nil
Total	**Nil**	**Nil**

Dematerialization of shares and liquidity:

The Company has entered into an Agreement with NSDL and CDSL for the dematerialization of its shares. The details of shares held in dematerialized and physical form as on 31st March, 2021 are hereunder:

Status of Dematerialization	**No. of Share**	**% of Total Share**
Share held in dematerialized form : NSDL	1667109	55.53%
Share held in dematerialized form: CDSL	1283490	42.75%
Shares held in physical form	51601	1.72%

Outstanding GDRs/ADRs/Warrants or any Convertible instruments:

The Company has not issued any ADRs /GDRs/Warrants/Stock Options or any other convertible instruments.

Plant Location: The Company does not have any Manufacturing or Processing plant.

Address for correspondence: Khatod Investments & Finance Co Ltd
Bikaner Building, 8/1, Lal Bazar Street,
1st floor, Room No.10
Kolkata-700001
Contact No- 033 4450 0500
E-mail- khatodinv@gmail.com
Website: **www.khatodinv.com**

For and on behalf of the Board

Date: 30.06.2021
Place: Kolkata

Mrs. Manisha Pincha
Wholetime Director
DIN 07143031

Annexure-6A

Compliance with Code of Conduct for Directors and Senior Management Personnel

D E C L A R A T I O N

"Pursuant to Regulation 26(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Manisha Pincha, Wholetime Director of Khatod Investments & Finance Co Ltd, on the basis of confirmations/declarations received, hereby confirm that all the Members of the Board and Senior Management of the Company have complied with the Company's Code of Conduct for the Board of Directors and Senior Management Personnel for the financial year 2020-21."

Place: Kolkata
Date: 30th day of June, 2021

Manisha Pincha
Wholetime Director
DIN: 07143031

Annexure – 6B

CEO-CFO CERTIFICATION

To,
The Board of Directors,
Khatod Investments & Finance Co Ltd

We hereby certify to the Board that:

a) We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief:

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2021 which are fraudulent, illegal or violative of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that there are no:

   i. significant changes in internal control over financial reporting during the year;
   ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For, **Khatod Investments & Finance Co Ltd**

Manisha Pincha	**Krishna Gopal Halder**	**Date: 30.06.2021**
Whole Time Director	**Chief Financial Officer**	**Place: Kolkata**
DIN: 07143031		

Annexure – 6C

PRACTICING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
M/s Khatod Investments & Finance Co Ltd
8/1 Lal Bazar Street, Bikaner Building,
1st Floor, Room No. 10
Kolkata: 700001

1. I, Prachi Todi, Practicing Company Secretary, have examined the compliance of conditions of Corporate Governance by **M/s Khatod Investments & Finance Co Ltd** (hereinafter referred to as **"the Company"**), for the year ended on 31st March 2021 as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as **"the Listing Regulations"**).

Management's Responsibility

2. The compliance of the conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

My Responsibility

3. My examination is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

Opinion

4. In my opinion, and to best of my information and according to explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations to the extent applicable to the Company.

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

Prachi Todi
Practicing Company Secretary
M. No.: 53022
C.P. No.: 22964
UDIN: A053022C000547890

Date: 30th June, 2021
Place: Kolkata

Annexure – 6D

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,
The Members of
M/s Khatod Investments & Finance Co Ltd
8/1 Lal Bazar Street, Bikaner Building,
1st Floor, Room No. 10
Kolkata: 700001

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s Khatod Investments & Finance Co Ltd,** CIN: **L65993WB1990PLC084695** and having registered office at **8/1 Lal Bazar Street, Bikaner Building, 1st Floor, Room No. 10** (hereinafter referred to as 'the Company'), as produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal www.mca.gov.in} as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below, for the Financial Year ending 31st March, 2021, have been debarred or disqualified from being appointed or continuing as Directors by the Securities & Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority.

Sl. No.	Name of Director	DIN	Designation	Date of Original Appointment
1.	MANISHA PINCHA*	07143031	Whole-time & Women Director	27/03/2015
2.	PRADEEP KUMAR HIRAWAT	00047872	Independent Director	30/12/2005
3.	MANISH JAIN	00578028	Independent Director	30/12/2005
4.	SHAMBHU CHOUBEY	06565599	Non-executive Director	10/05/2019

** DIN Status is deactivated due to non-filing of DIR-3 KYC as per the MCA Portal.*

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

Prachi Todi
Practicing Company Secretary
M. No.: 53022
C.P. No.: 22964
UDIN: A053022C000547923

Date: 30th June, 2021
Place: Kolkata

Independent Auditors' Report

To,
The Members of
Khatod Investments & Finance Co. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Khatod Investments & Finance Co. Ltd.** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have nothing to report in this regard.

Information Other than the Financial Statements and Auditor's Report Thereon
The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

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

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

 Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

 Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

 Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

 Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current

period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our audit we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have any pending litigations which would impact its Financial position.

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

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For VKR & Associates.
Chartered Accountants
ICAI Firm Registration No.: 320323E

Santosh Kumar Agrawal, FCA
(Partner)
Membership No.: 067092
UDIN: 21067092AAAACE7789

Kolkata, 30th day of June, 2021

Annexure A to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i) The Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) of the Order are not applicable.

ii) The management has conducted physical verification of inventory at reasonable intervals during the year. No discrepancies were noticed on such physical verification.

iii) The company has granted unsecured loans to the parties covered in the register maintained under Section 189 of the Act; and with respect to the same:

a) The terms and conditions of the grant of such loans are not prejudicial to the company's interest.

b) The loans granted to the parties covered in the register maintained under section 189 of the Act, has no stipulated schedule of repayment of principal and payment of interest and are repayable on demand.

c) According to the information and explanations given to us, since the loans granted has no stipulated schedule of repayment of principal and payment of interest, the question of overdue amounts does not arise.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013.

v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

vi) To the best of our knowledge and belief, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products/ services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.

vii) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion:

(a) amount deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it have been generally regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect to above were in arrears, as at March 31, 2021 for a period of more than six months from the date on which they become payable .

(b) As at 31st March 2021, there is no amounts payable in respect of disputed Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax.

viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, the provisions of clause 3(viii) of the Order are not applicable.

ix) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.

x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers/employees has been noticed or reported during the period covered by our audit.

xi) As examined by us, the company has paid remuneration to managerial personnel during the period in accordance with the requisite approval mandated by the provision of Section 197 read with Schedule V to the Companies Act, 2013.

xii) The company is not a Nidhi Company. Accordingly, the provisions of clause 3(xii) of the Order are not applicable.

xiii) According to the information and explanations given to us and based on the examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv) Based on our examination of the records and the 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. Therefore the provisions of clause 3(xiv) of the Order are not applicable to the Company.

xv) Based on our examination of the records and the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Therefore the provisions of clause 3(xv) of the Order are not applicable to the Company.

xvi) According to information and explanations given to us, the company is carrying on the business of Non Banking Financial Companies and is registered under section 45-IA of the Reserve Bank of India Act 1934.

For VKR & Associates.
Chartered Accountants
ICAI Firm Registration No.: 320323E

Santosh Kumar Agrawal, FCA
(Partner)
Membership No.: 067092

Kolkata, 30th day of June, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls over financial reporting of **Khatod Investments & Finance Co. Ltd.** ("the Company") as of March 31, 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls 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") issued by ICAI and and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un authorised 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 not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, VKR & Associates
Chartered Accountants
Firm Regn. No. - 320323E

SANTOSH KUMAR AGRAWAL, FCA
(Partner)
Membership No.: 067092

Kolkata, 30th day of June, 2021

KHATOD INVESMENTS & FINANCE CO.LTD.

Balance Sheet as at 31st March ,2021

(Amount in Rs.)

	Particulars	Note No.	As at 31/03/2021	As at 31/03/2020
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	3	52,787.02	46,778.00
(b)	Loans	4	7,046,625.00	1,349,460.00
(c)	Other Financial assets	5	-	6,100,000.00
(2)	**Non-financial Assets**			
(a)	Inventories	6	579,687,830.24	547,922,461.82
(b)	Current tax assets (Net)	7	348,886.00	272,184.00
(c)	Deferred tax Assets (Net)		127,500.00	127,500.00
(d)	Other non-financial assets	8	-	44,318.00
	Total Assets		**587,263,628.26**	**555,862,701.82**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Payables			
	(I)Trade Payables	9		
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro		-	-
	(II) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		135,221.00	3,371,139.00
(b)	Other financial liabilities	10	-	-
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (Net)	11	660,108.00	60,108.00
(b)	Provisions	12	508,001.00	493,758.00
(c)	Other non-financial liabilities	13	3,200.00	3,250.00
(3)	**EQUITY**			
(a)	Equity Share capital	14A	30,022,000.00	30,022,000.00
(b)	Other Equity	14B	555,935,098.25	521,912,446.82
	Total Liabilities and Equity		**587,263,628.25**	**555,862,701.82**

The accomanying notes are an integral part of the Financial Statements

For VKR & Associates.
Chartered Accountants
Firm Registration No. 320323E

Santosh Kumar Agrawal, FCA
(Partner)
Membership No. 067092
Date: 30th day of June, 2021
Place: Kolkata

For and on behalf of the Board of Directors

Manisha Pincha
Wholetime Director
DIN: 07143031

Pradeep Kumar Hirawat
Director
DIN: 00047872

Krishna Gopal Halder
Chief Financial Officer

Sweta Singh
Company Secretary

KHATOD INVESMENTS & FINANCE CO.LTD.

Statement of Profit and Loss for the period ended on 31st March, 2021

(Amount in Rs.)

	Particulars	Note No.	For year ended 31/03/2021	For year ended 31/03/2020
(i)	Revenue from operations	15	473,640.00	1,287,482.00
(I)	**Total Revenue from operations**		**473,640.00**	**1,287,482.00**
(II)	Other Income (to be specified)	16	4,017,170.00	2,570.00
(III)	**Total Income (I+II)**		**4,490,810.00**	**1,290,052.00**
	Expenses			
(i)	Changes in inventories		-17,068.00	-
(ii)	Employee Benefits Expenses	17	1,398,292.00	1,317,461.00
(iii)	Depreciation, amortization and impairment		-	-
(iv)	Others expenses (to be specified)	18	235,234.98	116,524.00
(IV)	**Total Expenses (IV)**		**1,616,458.98**	**1,433,985.00**
(V)	Profit / (loss) before exceptional items and tax (III-IV)		2,874,351.02	-143,933.00
(VI)	Exceptional items			
(VII)	Profit/(loss) before tax (V -VI)		2,874,351.02	-143,933.00
(VIII)	Tax Expense:			
	(1)Current Tax		600,000.00	-
	(2)Deferred Tax		-	-
	(3)Earlier Year Tax		-	-32,095.00
(VIII)	**Profit/(loss) for the period for continuing operations (IX+XII)**		**2,274,351.02**	**-111,838.00**
(IX)	**Other Comprehensive Income**			
	(A) (i) Items that will not be reclassified to profit or loss			
	(specify items and amounts)			
	(ii) Income tax relating to items that will not be reclassified to profit or loss			
	Subtotal (A)			
	(B) (i) Items that will be reclassified to profit or loss		31,748,300.41	(46,513,637.12)
	(ii) Income tax relating to items that will be reclassified to profit or loss			
	Subtotal (B)		31,748,300.41	(46,513,637.12)
	Other Comprehensive Income (A + B)		31,748,300.41	(46,513,637.12)
(X)	**Total Comprehensive Income for the period (XIII+XIV) (Comprising Profit (Loss) and other Comprehensive Income for the period)**		**34,022,651.43**	**(46,625,475.12)**
(XI)	**Earnings per equity share (for continuing operations)**			
	Basic (Rs.)		0.76	(0.04)
	Diluted (Rs.)		0.76	(0.04)

See accompanying notes to the financial statements

The accomanying notes are an integral part of the Financial Statements

For VKR & Associates.
Chartered Accountants
Firm Registration No. 320323E

Santosh Kumar Agrawal, FCA
(Partner)
Membership No. 067092
Date: 30th day of June, 2021
Place: Kolkata

For and on behalf of the Board of Directors

Manisha Pincha	Pradeep Kumar Hirawat
Wholetime Director	Director
DIN: 07143031	DIN: 00047872
Krishna Gopal Halder	Sweta Singh
Chief Financial Officer	Company Secretary

KHATOD INVESTMENTS & FINANCE CO LTD

Cash Flow Statement for the Year ended on 31st March, 2021

	For the Period 31st March 2021		For the Period 31st March 2020	
A. Cash flow from operating activities :				
Net profit before tax as per Statement of Profit & Loss		2,874,351.02		(143,933)
Adjustments for				
Contingent Provisions against Standard Assets	14,243		(28,546)	
Interest on Income Tax Refund	-		(31,891)	
		14,243.00		(60,437)
Operating profit before working capital changes		**2,888,594.02**		**(204,370)**
(Increase) / Decrease in Inventories	(17,068)		-	
(Increase) / Decrease in Trade Payable	**(3,235,918)**		(5,715,283)	
(Increase) / Decrease in Other Financial Liabilities	-		(77,914)	
(Increase) / Decrease in Other Financial Assets	6,100,000		(6,100,000)	
(Increase) / Decrease in Non Financial Assets	**44,318**		350,613	
(Increase) / Decrease in Loan Given	**(5,697,165)**		11,418,409	
(Increase) / Decrease in Other Non Financial liabilities	(50)		1,590	
Increase / (Decrease) in Other liabilities	-		-	
		-2,805,883.00		(122,585)
Cash generated from operations		82,711.02		(326,955)
Less: Direct taxes paid/ Refunds including Interest (Net)		-76,702.00		352,714
Net cash Generated/(used) from operating activities		**6,009.02**		**25,759**
B. Cash flow from investing activities :				
Sale of Fixed Assets	-		-	
		-		-
Net cash from investing activities		**-**		**-**
C. Cash flow from financng activities :				
Proceeds / (Repayment) of borrowings	-		-	
Proceeds / (Repayment) of Short term borrowings	-		-	
		-		-
Net cash generated/(used) in financing activities		**-**		**-**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		6,009.02		25,759
Cash and cash equivalents -Opening balance		46,778.00		21,019
		52,787.02		**46,778**
CASH AND CASH EQUIVELANTS COMPRISE:				
Cash on hand		1,566.50		5,816
Balances with Banks		51,220.52		40,962
		52,787.02		**46,778**

This is the Cash Flow Statement referred to in our report of even date

As per our Report of even date

For VKR & ASSOCIATES
Chartered Accountants
ICAI Firm Registration. No. 320323E

For and on behalf of the Board of Directors

Manisha Pincha	Pradeep Kumar Hirawat
Wholetime Director	Director
DIN: 07143031	DIN: 00047872

Santosh Kumar Agrawal, FCA
(Partner)
Membership No : 067092
Kolkata
Date: 30th day of June, 2021

Krishna Gopal Halder	Sweta Singh
Chief Financial Officer	Company Secretary

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. Corporate Information:

The Company is registered as a Non Banking Financial (Non-Deposit Accepting or Holding) Company as defined under Section 45-IA of the Reserve Bank of India Act, 1934, having Registration No. B.05.04446. The Company is principally engaged in lending and investing activities. The registered office is at 8/1, Lal Bazar Street, Bikaner Building, 1st Floor, Room No. 10, Kolkata - 700001, West Bengal.

2. Significant Accounting Policies:

2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013. The Company has adopted IND AS from 1st April, 2019.

2.2 Basis of Accounting, Preparation of Financial Statements and Use of Estimates

The financial statements are prepared in accordance with the historical cost convention, except for certain items that are measured at fair values, as explained in the accounting policies.

Fair Value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability.

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period; they are recognised in the period of the revision and future periods if the revision affects both current and future period.

The Company complies in all material aspects, with the prudential norms relating to income recognition, asset classification and provisioning for bad and doubtful debts and other matters, specified in the directions issued by the Reserve Bank of India in terms of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

2.3 Operating Cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 – Presentation of Financial Statements based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

2.4 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of in cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

2.5 Cash Flow Statement

Cash flows are reported using the indirect method whereby cash flows from operating, investing and financing activities of the Group are segregated and profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

2.6 Inventories

Inventories being shares have been taken at fair value as per Ind AS 109, after adoption of Ind As accordingly appropriate re-measurements have been made.

2.7 Revenue Recognition

Items of Income & Expenditure are accounted for on accrual basis unless otherwise stated in these accounts.
Interest Income is recognized as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non-performing assets("NPAs") where it is recognized, upon realization.
Dividend income is recognized when the right to receive is established.

2.8 Employee Benefits

The undiscounted amount of Short Term Employee Benefits expected to be paid in exchange of service rendered by the employees is recognized on actual basis in the Statement of Profit and Loss in the year when the employee actually renders service.

2.9 Taxation

Taxes on income comprises of current taxes and deferred taxes.

Current tax in the Statement of Profit and Loss is provided as the amount of tax payable in respect of taxable income for the period using tax rates and tax laws enacted during the period along with the Income Computation and disclosure standards, together with any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period.
Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.
Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.
Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority.
Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously

2.10 Contingent Liability

Liabilities which are contingent in nature are not provided for in the accounts and the same are separately disclosed by way of notes to account.

2.11 Provisions

The Company creates a provision when there is a present obligation as a result of past events and it is probable that there will be outflow of resources and a reliable estimate of the obligation can be made of the amount of the obligation. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Provisions for standard assets & for Non-Performing assets are made as per notification DNBR.PD.007/03.10.119/2016-17 dated September 1, 2016 of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

2.12 Earnings per share

Earnings Per Share is calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.13 Financial Assets

Recognition: Financial assets include Cash and cash equivalents and Loans. Such assets are initially recognized at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Management determines the classification of an asset at initial recognition depending on the purpose for which the assets were acquired. The subsequent measurement of financial assets depends on such classification.

2.14 Financial Liabilities

Payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost. Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry.

KHATOD INVESTMENTS & FINANCE CO.LTD.

Notes forming part of Financial Statements

			As at 3/31/2021 Amount(₹`)	As at 3/31/2020 Amount(₹`)
Note 3	**CASH & CASH EQUIVALENTS**			
	Cash & Bank Balances			
	Cash on hand (As certified by management)		1,566.50	5,816.00
	Balance with Banks on Current Accounts		51,220.52	40,962.00
		TOTAL	52,787.02	46,778.00
Note 4	**Loans(Including Interest accrued)**			
	Unsecured, Considered Good)			
	- Related Parties			
	- Other than Related Parties		7,046,625.00	1,349,460.00
		(A)	7,046,625.00	1,349,460.00
	Others (Unsecured considered doubtful)			
	- Other than Related Parties		594,106.00	594,106.00
	Less: Provision for NPA		-594,106.00	-594,106.00
		(B)	-	-
		(A+B)	7,046,625.00	1,349,460.00
Note 5	**Other Financial Assets**			
	Advance against purchase of Land		-	6,100,000.00
			-	6,100,000.00
Note 6	**Inventories**			
	(as taken valued and certified by management)			
	Stock in trade		579,687,830.24	547,922,461.82
			579,687,830.24	547,922,461.82
Note 7	**Current Tax Assets (Net)**			
	Balance with Revenue Authorities		348,886.00	272,184.00
			348,886.00	272,184.00
Note 8	**Other Non Financial Assets**			
	Others		-	44,318.00
			-	44,318.00
Note 9	**Payables**			
	Sundry Creditor's for expenses		135,221.00	3,371,139.00
			135,221.00	**3,371,139.00**
Note 10	**Other financial Liabilities**			
	Book Overdraft due to excess issue of cheques		-	-
			-	-
Note 11	**Current Tax Liabilities**			
	Provisions for tax		660,108.00	60,108.00
			660,108.00	60,108.00
Note 12	**Provisions**			
	Provision for Employee Benefit		490,384.00	490,384.00
	Contingent provision against standard assets		17,617.00	3,374.00
			508,001.00	**493,758.00**
Note 13	**Other Non Financial Liabilities**			
	Statutory Dues		3,200.00	3,250.00
			3,200.00	**3,250.00**

KHATOD INVESMENTS & FINANCE CO.LTD.

(Amount in Rs.)

Note 14

A. Equity Share Capital

Balance at the beginning of the reporting period	Note No.	Balance at the end of the reporting period
Balance as at 01/04/2019		**30,022,000.00**
Changes in Equity Share Capital during the year		-
Balance as at 31/03/2020		**30,022,000.00**
Changes in Equity Share Capital during the year		-
Balance as at 31/03/2021		**30,022,000.00**

	As at 31.03.2021	As at 31.03.2020
Authorised Share Capital		
3010000 equity shares of Rs. 10 each	30,100,000.00	30,100,000.00
Issued, Subscribed & Paid Up		
3002200 equity shares of Rs. 10 each fully paid up in cash	30,022,000.00	30,022,000.00
Par value per share	10.00	10.00
Reconciliation of Number of Shares and amount outstanding at the beginning and at the end of the year		
Shares at the beginning of the Accounting Period		
30,02,200 Equity shares of `10/- each fully paid up	30,022,000.00	30,022,000.00
Additions during the Year	-	-
Shares at the end of the Accounting Period		
30,02,200 Equity shares of `10/- each fully paid up	30,022,000.00	30,022,000.00

Rights, Preferences & Restrictions attaching to shares and restrictions on repayment of capital

The Company has only one class of Equity Shares having par value of Rs 10 per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in case of interim dividend.

Details of shareholder holding more than 5% share	%	No. of shares	%	No. of shares
Vinod Dugar	45.56%	1367800	45.56%	1367800
Namokar Duplicating Pvt Ltd	14.77%	443500	14.77%	443500
Paramdham Mercantile Pvt Ltd	12.32%	370000	12.32%	370000

B. Other Equity

Particulars	Reserves and Surplus					Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
	Statutory Reserves	Capital Reserve	Securities Premium	Other Reserves (specify nature)	Retained Earnings							
Balance as at 31/03/2019	1,879,469.00	-	-	-	10,547,266.00	556,111,186.95	-	-	-	-	-	568,537,921.95
Profit for the Year	-	-	-	-	-111,838.00	-	-	-	-	-	-	-111,838.00
Total Comprehensive Income for the year	-	-	-	-	-	-46,513,637.12	-	-	-	-	-	-46,513,637.12
Balance as at 31/03/2020	1,879,469.00	-	-	-	10,435,428.00	509,597,549.83	-	-	-	-	-	521,912,446.82
Profit for the Year	-	-	-	-	2,274,351.02	-	-	-	-	-	-	2,274,351.02
Transfer to Statutory Reserve as per RBI	454,870.00	-	-	-	-454,870.00	-	-	-	-	-	-	-
Total Comprehensive Income for the year	-	-	-	-	-	31,748,300.41	-	-	-	-	-	31,748,300.41
Balance as at 31/03/2021	2,334,339.00	-	-	-	12,254,909.02	541,345,850.24	-	-	-	-	-	**555,935,098.25**

KHATOD INVESTMENTS & FINANCE CO.LTD.

Notes forming part of Financial Statements

		For the year ended 3/31/2021 Amount(`)	For the year ended 3/31/2020 Amount(`)
Note 15	**Revenue From Operations**		
	Sale of Securities	17,539.00	-
	Interest Earned on Loans Given	456,101.00	1,255,591.00
	Interest on I.Tax Refund	-	31,891.00
		473,640.00	1,287,482.00
Note 16	**Other Income**		
	Sundry Balances written back	-	2,570.00
	Income From Insurance	4,017,170.00	-
		4,017,170.00	2,570.00
Note 17	**Employee Benefit Expenses**		
	Salary & Bonus	498,292.00	514,235.00
	Director Remuneration	900,000.00	803,226.00
	Provision for Gratuity	-	-
		1,398,292.00	1,317,461.00
Note 18	**Other Expenses**		
	Administrative Expenses:		
	Auditors' Remuneration		
	Statutory Audit Fees	17,700.00	17,700.00
	Other Services	5,900.00	-
	Advertisement & Publicity	17,010.00	15,750.00
	Custodial Charges	31,860.00	21,240.00
	Bank Charges	482.00	1,131.00
	Insurance Premium	-	-
	Printing & Stationery	-	-
	Professional Fees	65,200.00	50,220.00
	Filing Fees	10,800.00	7,600.00
	Rates & Taxes	4,700.00	4,650.00
	Printing & Stationery	104.00	2,265.00
	Postage & Telegram	-	911.00
	Listing Fees	29,500.00	-
	S.Balance written off	2,710.00	-
	General Expenses	35,025.98	23,603.00
	Contingent Provision against standard assets created/(Written Back)	14,243.00	(28,546.00)
		235,234.98	116,524.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 19

19.1 There are no Micro, Small & Medium enterprises to which the company owes dues, which are outstanding for more than 45 days as at the Balance Sheet date. The micro, small and medium enterprises have been identified on the basis of information available with the company. This has been relied upon by the auditors.

19.2 In the opinion of the Board the Current Assets, Loans and Advances are not less than the stated value if realized in ordinary course of business. The provision for all known liabilities is adequate. There is no contingent liabilities except stated, as informed by the Management.

19.3 Related Party Disclosures in accordance with Ind AS – 24:

A. Name of Related Party and Relationship

Key Management Personnel & their Relatives:

Manisha Pincha	Wholetime Director
Krishna Gopal Halder	Chief Financial Officer
Jaspreet Singh Dhir*	Company Secretary (resigned w.e.f 26.12.2020)

**Ms. Sweta Singh was appointed as Company Secretary w.e.f 19.06.2021*

B. Transactions with Related Parties:

S. No.	Nature of transactions	Key Management Personnel	
		2020-21	2019-20
1	Remuneration	1398292	1312295
2	Provision for gratuity	-	-
3	Advance against salary adjusted	-	17313

19.4 Earnings per share in accordance with Ind AS – 33:

Earnings per share from continuing operations is computed as under:	2020-21	2019-20
Profit available for Ordinary Equity Shareholders (Rs.) (A)	2274361.02	(111838)
Weighted average number of Equity Shares outstanding (B)	3002200	3002200
Face value per share	10	10
Earnings per Equity share – Basic & Diluted (A / B) (Rs.)	0.76	(0.04)

19.5 Information pursuant to Paragraph 18 of Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, is given in Annexure-I.

19.6 Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

As per our Report of even date

For VKR & Associates
Chartered Accountants
ICAI Firm Registration No. 320323E

Santosh Kumar Agrawal, FCA
(Partner)
Membership No. 067092
Kolkata, The 30th day of June, 2021

For and on behalf of the Board

Mrs. Manisha Pincha	**Mr. Pradeep Kumar Hirawat**
Wholetime Director	**Director**
DIN: 07143031	**DIN: 00047872**
Mr. Krishna Gopal Halder	**Ms. Sweta Singh**
Chief Financial Officer	**Company Secretary**

KHATOD INVESTMENTS & FINANCE CO LTD

Annexure - I to the

Balance sheet of a Non Deposit taking Non-Banking Financial Company as at 31.03.2021

[as required in terms of paragraph 18 of Non-Banking Financial Company –Non-Systemically Important Non- Deposit taking Company (Reserve Bank) Directions, 2016]

(Amount in lakhs)

	Particulars		
	Liabilities Side :		
(1)	**Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :**	Amount Outstanding	Amount Overdue
	(a) Debentures : Secured	NIL	NIL
	: Unsecured (Other than falling within the meaning of public deposits *)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits*	NIL	NIL
	(g) Other Loans	NIL	NIL
	** Please see Note 1 below*		
(2)	**Break-up of (1)(f) above (Outstanding public deposits inclusive of interestaccrued thereon but not paid):**		
	(a) In the form of Unsecured Debentures	NIL	NIL
	(b) In the form of of partly secured debentures i.e. debentures where there is ashortfall in the value of security	NIL	NIL
	(c) Other public deposits	NIL	NIL
	** Please see Note 1 below*		
	Assets side:		
		Amount Outstanding	
(3)	**Break-up of Loans and Advances including bills receivables[Other than those included in (4) below] :**		
	(a) Secured	NIL	
	(b) Unsecured	76.41	
(4)	**Break up of Leased Assets and stock on hire andother assets counting towards AFC activities :**		
	(i) Lease assets including lease rentals under sundry debtors.		
	(a) Financial Lease	NIL	
	(b) Operating Lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire	NIL	
	(b) Repossessed Assets.	NIL	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	

(5)	**Break - up of Investments :**	
	Current Investments :	
	1 Quoted :	
	(i) Share : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please Specify)	NIL
	2 Unquoted :	
	(i) Share : (a) Equity	NIL
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please Specify)	NIL
	Long Term Investment :	
	1 Quoted :	
	(i) Share : (a) Equity	1,047.57
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please Specify)	NIL
	2 Unquoted :	
	(i) Share : (a) Equity	4,749.31
	(b) Preference	NIL
	(ii) Debentures and Bonds	NIL
	(iii) Units of Mutual funds	NIL
	(iv) Government Securities	NIL
	(v) Others (Please Specify)	NIL

(6)	**Borrower group-wise classification of assets financed as in (3) and (4) above** *Please see Note 2 below*			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties **			
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	-	-
	(c)Other related parties	NIL	NIL	NIL
	2. Other than related parties	NIL	70.29	70.29
	Total	NIL	70.29	70.29

(7)	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :** *Please see Note 3 below*		
	Category	Market Value / Break up value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	(a) Subsidiaries	NIL	NIL
	(b) Companies in the same group	1,280.51	1,280.51
	(c)Other related parties	NIL	NIL
	2. Other than related parties	4,516.37	4,516.37
	Total	5,796.88	5,796.88
	** As per Accounting Standard of ICAI (Please see Note 3)		

(8)	**Other Information**		
	Particulars		**Amount**
	(i)	Gross Non-Performing Assets	
		(a) Related parties	NIL
		(b) Other than related parties	5.94
	(ii)	Net Non-Performing Assets	
		(a) Related parties	NIL
		(b) Other than related parties	NIL
	(iii)	Assets acquired in satisfaction of debt	NIL

Notes

1 As defined in point xxiv of paragraph 3 of Chapter -2 of these Directions.

2 Provisioning norms shall be applicable as prescribed in these Directions.

3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.