

Kherapati Vanijya Limited

**Annual Report
2015-16**

Kherapati Vanijya Limited

CIN No. L51109 WB 1982 PLC 034908

Annual Report & Accounts for the year ended 31st March, 2016

BOARD OF DIRECTORS

Smt. Vinita Bangur
Sri Babulal Dhanuka
Sri Shankar Lal Kedia
Sri Prabhu Dayal Chomal

BANKERS

HDFC Bank
State Bank of Bikaner
And Jaipur

AUDITORS

M/s. P. D. Randar & Co.
Chartered Accountants,
13, Ganesh Chandra Avenue

REGISTERED OFFICE

21, Strand Road,
Kolkata-700 001

KHERAPATI VANIJYA LIMITED

NOTICE

NOTICE is hereby given that the **33rd Annual General Meeting** of the Company will be held at 21, Strand Road, Kolkata – 700 001 on **Thursday 15th September' 2016 at 11.00 A. M.** for the following Business :

ORDINARY BUSINESS

- 1) To Consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2016 and the Reports of the Directors & Auditors thereon.
- 2) To elect a Director in place of **Smt. Vinita Bangur** (DIN 01140985), who retires by rotation and being eligible, offers herself for re-appointment.
- 3) To elect a Director in place of **Sri Shankar Lal Kedia** (DIN 00695689), who retires by rotation and being eligible, offers himself for re-appointment
- 4) Ratification of Appointment of Statutory Auditors.

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

“RESOLVED that pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act' 2013 M/s. P. D. Randar & Co., Chartered Accountants (Firms Registration No. 319295E) be and are hereby reappointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting for the Financial year ending 2018-19, which was subject to ratification by the shareholders annually, at such remuneration plus applicable service tax as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

- 5) **Donation to Bona-fide Charitable & Other Funds**

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

“Resolved that as a part of Corporate Social Responsibility the Company Should Contribute to bona-fide charitable & other funds in compliance with the provisions of section 181 of companies act 2013.

The board decided to take prior permission of the members in terms of said sections to contribute charitable & other fund up-to the limit of Rs. 5,00,000/- per annum. The Board authorized Sri Shankar Lal Kedia to donate up-to Rs. 1,00,000/- per annum after obtainment of said prior permission of the members.


Sri Shankar Lal Kedia was also advised to intimate the board time to time contribution made by the Company for bona-fide charitable & other funds within the aforesaid limit of Rs. 1,00,000/- Per annum. The Board noted and Approved the same.”

Registered office:

21, Strand Road
Kolkata- 700 001

Dated : 30th May, 2016

By order of the Board
for **KHERAPATI VANIJYA LIMITED**


(**BABU LAL DHANUKA**)
Director

Notes :

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the business to be transacted at the meeting is annexed hereto .
2. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. Pursuant to the provision of section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than 50 (fifty) Members and holding in aggregate not more than ten percent of the total share capital of Company. Members holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other member. Proxy in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office/Corporate office of the Company, not less than 48 hours before the time for holding the meeting.

KHERAPATI VANIJYA LIMITED

3. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. For the convenience of members and for proper conduct of the meeting, entry to the place of meeting will be regulated by attendance slip, which is a part of the Notice. Members are requested to sign at the place provided on the attendance slip and hand over at the entrance of the venue.
Members/proxies should bring the duly filled Attendance Slip attached herewith to attend the meeting Duplicate Attendance Slip and / or copies of Annual Report shall not be issued / available at the venue of the Meeting.
Members, who hold shares in dematerialized form, are requested to bring their Client ID and DP ID Nos. for easier identification of attendance at the meeting.
5. The Register of Directors and Key Managerial Personnel and their shareholding will be available for inspection by the members at the AGM.
6. A member desirous of getting any information on the accounts of the Company is requested to send the queries to the Company at least 10 days in advance of the meeting.
7. The Company shall provide the facility of remittance of dividend through National Electronic Clearing System (NECS) at various locations identified by Reserve Bank of India (RBI) from time to time for the members holding shares in electronic form and to the Members holding shares in physical form and opted for the said facility.
8. The Company need not to transfer the unpaid/unclaimed dividend to the Investor Education and Protection Fund. As there is no dividend is declared in any AGM.
9. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, as given in the explanatory statement of the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules there-under.
10. Members holding shares in physical form are requested to intimate change in their registered address mentioning full address in block letters with Pin code of the Post Office and bank particulars to the Company's Registrar and Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
Members whose shareholding is in the electronic mode are requested to inform change of address and updates of savings bank account details to their respective depository participants. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. The Notice of the AGM along with the Annual Report for 2015-16 are being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the said documents. For Members who have not registered their e-mail addresses, physical copies of the above mentioned documents are being sent. All these above mentioned documents will also be available on the Company's website www.kherapativanijya.com for download by the Members. We, request the Members to update their e-mail address with their depository participant to ensure that the annual reports and other documents reach them on their preferred e-mail address. Members holding shares in physical form may intimate us their e-mail address along with name, address and Folio No. for registration at kvl@bangurgroup.com.
12. As mandated by The Securities and Exchange Board of India (SEBI), every participant in the securities market has to submit Permanent Account Number (PAN). Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / RTA
13. **Voting Through Electronic means :**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting services facility arranged by National Securities Depository Limited (NSDL). The Facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The Instructions for e-voting are annexed to the Notice.

KHERAPATI VANIJYA LIMITED

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commence on 12th September, 2016 (9:00 am) and ends on 14th September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 8th September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The Process and manner for remote e-voting are as under :
 - A. In case a Member receives and email from NSDL [for members whose email IDs are registered with the Company / Depository Participant(s)]:
 - (i) Open email and open PDF file viz; " remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password /PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the URL : <http://www.evoting.nsdl.com/>
 - (iii) Click on "Shareholders" – Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digit/character or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home Page of remote e-voting opens. Click on remote e-voting: Active voting cycles.
 - (vii) Select "EVEN" of Kherapati Vanijya Ltd.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "submit" and also "Confirm" when prompted.
 - (x) Upon Confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to cs mukeshc@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with Company/Depository Participant(s) or requesting physical copy]:
 - (i) Initial password is provided in the Annexure enclosed herewith this AGM notice.
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - (iii) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user Manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free No.: 1800-222-990.
 - (iv) If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - (v) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
 - (vi) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 8th September, 2016.
 - (vii) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 8th September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or kvl@bangurgroup.com/nichetechpl@nichetechpl.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

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- viii) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- ix) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- x) Mr. Mukesh Chaturvedi, Company Secretary in whole Time Practice, (CP No.3390) of 169, Arbinda Sarani, Kolkata – 6 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xi) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the A G M, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xiii) The Results declared along-with the report of the Scrutinizer shall be placed on the website of the Company www.kherapatinaijya.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Stock Exchanges.
14. Since e-voting facility (including Ballot Forms) is provided to the Members pursuant to the provisions of Section 108 of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014, voting by show of hands are not allowed.

Regd. Office :
21, Strand Road,
Kolkata – 700 001.
Dated : May 30, 2016

By order of the Board of


(BABU LAL DHANUKA)
Director

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (the Act), the following explanatory statement sets out all material facts relating to the business mentioned under item Nos. 4 to 6 of the accompanying Notice.

Item No. 2

Smt. Vinita Bangur, Non-Executive Director is liable to retire by rotation at the ensuing AGM and seeking re appointment by the shareholders.

Brief Profile of Smt Vinita Bangur

Smt. Vinita Bangur, B.Sc.(Micro Biology) aged about 40 Years residing at 8, St. Georges Gate Road, Kolkata – 700 022, have more than 15 years experience in Finance Sectors.

Item No. 3

Sri Shankar Lal Kedia, Non-Executive Director is liable to retire by rotation at the ensuing AGM and seeking re appointment by the shareholders.

Brief Profile of Sri Shankar Lal Kedia

Sri Shankar Lal Kedia (B.Com.) aged about 68 Years residing at 5C, Mukta Ram Babu Street, Kolkata-700 005, have more than 30 years experience in finance Sector.

Item No. 5

Under section 181 of the Act, the Board of Directors of the Company is authorized to make contribution to charitable and other funds, provided that prior permission of the members is required for such contributions during a financial year exceeding five percent of its average net profits during the three immediately preceding financial years. The approval of the Members is being sought, pursuant to section 181 of the Act, for authorizing the Board of Directors of the Company to make contribution to bona fide charitable and other funds, in a financial year, exceeding five percent of the company’s average net profit during the three immediately preceding years subject to a limit of Rs. 5 lacs.

None of the Directors or Key management personnel or their relatives except Smt. Pushpa Devi Bangur are concerned or interested in the passing of the above Resolution No. 2. She holds 13.44 % Shares of the paid up capital in the Company.

The Directors recommend the above Resolution accompanying notice for the approval of the Members of the Company.

KHERAPATI VANIJYA LIMITED
DIRECTORS REPORT TO THE SHARE HOLDERS

Your Directors have pleasure in presenting their report together with the audited Balance sheet as at 31st March 2016 and Statement of Profit & Loss for the year ended on that date.

Financial Results

Sl. No.	Particulars	2015-2016	2014-2015
1	Gross Income	58,07,753.00	61,44,458.97
2	Profit Before Tax	24,71,358.40	16,70,766.40
3	Less: Provision for Tax	7,70,000.00	5,20,000.00
4	Add/(Less) Tax relating to prior period	(8,021.00)	(34,270.00)
5	Add/(Less) Deferred tax assets	-	5,128.00
5	Profit After tax	17,09,379.40	11,79,908.40
6	Less: Transferred to Special Reserve Fund	5,00,000.00	5,00,000.00
7		12,09,379.40	6,79,908.40
8	Less: Prov. For Non-performing Assets	-	-
9	Net Profit	12,09,379.40	6,79,908.40
10	Balance Brought forward from Balance Sheet	48,16,604.06	41,36,695.66
11	Balance carried forward to Balance Sheet	60,25,983.46	48,16,604.06

DIVIDEND

To further strengthen the financial position of the Company and to conserve resources your Directors have decided not to recommend dividend for the year ended 31st March, 2016.

SHARE CAPITAL

The paid-up equity capital of the Company as on 31st March, 2016 was Rs.135.00 Lacs. During the year under review, the Company has not issued any shares.

TRANSFER TO RESERVES

The Board proposes to transfer Rs.5.00 Lacs to Reserve Fund pursuant to RBI Guidelines, and an amount of Rs.12.09 Lacs is proposed to be retained in the Profit and Loss Account.

REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

Total income during the year under review amounted to Rs.58.07 Lac as against Rs.61.44 Lac in the preceding year. Profit after tax stood at Rs.17.09 Lac as against Rs.11.80 Lac in the previous year.

The Company continues to remain registered as a Non-Banking Financial Company with the Reserve Bank of India.

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Company since it does not fulfill the criteria specified in Section 135(1) of the Companies Act, 2013 read with the rules framed there under.

PUBLIC DEPOSITS

The Company has not accepted any deposit from the public during the year.

LOANS, INVESTMENT AND GUARANTEES BY THE COMPANY

The Company being a Non-Banking Financial Company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 (2 of 1934) provisions of Section 186 of the Companies Act, 2013 are not applicable to the Company.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract / arrangement / transaction with related parties, attracting the requirement of disclosure in this report as per provisions of Section 188 of the Act except for remuneration to the key managerial personnel which is disclosed suitably in Notes to Accounts.

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal control procedures commensurate with its size and nature of its business. The Company has appointed internal auditors who review the internal financial control system. The Audit Committee reviews the reports of the internal auditors and ensures implementation of their suggestion and improvement. During the year, no reportable material weakness in the design or operation was observed.

KHERAPATI VANIJYA LIMITED

RISK MANAGEMENT

During the year, Management of the company, evaluated the existing Risk Management policy of the Company to make it more focused in identifying and prioritizing the risks, role of various executive in monitoring & mitigation of risk and reporting process. The Risk Management Policy has been reviewed and found adequate to the requirement of the Company.

The Management evaluated various risks and that there is no element of risk identified that may threaten the existence of the company.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

(Including criteria for determining qualification, positive attributes, independence of Director, policy relating to remuneration for Directors, Key Managerial personnel and other employees)

i) Policy on Directors Appointment

Policy on Directors appointment is to follow the criteria as laid down under the Companies Act' 2013 and good corporate practices. Emphasis is given to persons from diverse fields or professionals.

ii) Policy on Remuneration

Guiding policy on remuneration of Directors, Key Managerial Personnel and employees of the Company is that –

- Remuneration to Key Managerial Personnel, Senior Executives, Managers, staff and workmen is industry driven in which it is operating taking into account the performance leverage and factors such as to attract and retain quality talent.
- For Directors, it is based on the shareholders resolutions, provisions of the Companies Act, 2013 and rules framed therein, circulars and guidelines issued by Central Government and other authorities from time to time.

ANNUAL EVALUATION BY THE BOARD OF ITS OWN PERFORMANCE , ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Board of Directors of the Company has initiated and put in place evaluation of its own performance, its committees and individual Directors. The result of the evaluation is satisfactory and adequate and meets the requirement of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Smt Vinita Bangur, Director of the Company retire by rotation and being eligible offers herself for re-appointment.

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Sri Shankar Lal Kedia, Director of the Company retire by rotation and being eligible offers himself for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, we state as under:-

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) that 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 and of the profit of the Company for that period;
- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the directors have prepared the Annual Accounts on a going concern basis;
- v) that 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 properly; and
- vi) that the director had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MEETINGS OF THE BOARD

Six meetings of the Board including meeting of Independent Directors were held during the year.

KHERAPATI VANIJYA LIMITED

AUDIT COMMITTEE

The Audit Committee was constituted by the Board of Directors and comprises Independent Directors namely Shri Shankar Lal Kedia & Shri Babu Lal Dhanuka and One Non Independent Director Shri Prabhu Dayal Chomal respectively

The Committee met 4 times during the year on 29/05/2015, 13/08/2015, 30/10/2015 & 29/01/2016.

AUDITORS AND AUDITORS' REPORT

M/s P.D. Randar & Co., Chartered Accountants having Firm Registration No. 319295E, Statutory Auditors of the Company will retire from the office of the Auditors and being eligible offer themselves for re-appointment.

The Company has received a certificate from M/s P.D. Randar & Co. to the effect that their re-appointment, if made, would be in accordance with the provisions of section 141 of the Companies Act, 2013 and that they are not disqualified from being re-appointed as auditors.

The report of the Auditors is self-explanatory and does not call for any further comments.

SECRETARIAL AUDIT REPORT

A Secretarial Audit Report for the year ended 31st March' 2016 in prescribed form duly audited by the Practicing Company Secretary Mr. Mukesh Chaturvedi is annexed herewith and forming part of the report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark requiring explanation or clarification from the Board except for comment of not having a Company Secretary. The Company has not been able to appoint a Company Secretary in spite of its best efforts and is in process of appointing a secretary.

VIGIL MECHANISM

Pursuant to the provisions of Section 177 of the Companies Act, 2013, the Company has established a 'VIGIL MECHANISM' for Directors and Employees to report concerns of unethical behavior, actual or suspected, or violation of Company's ethics policy and provide safeguards against victimization of employees.

NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee was constituted by the Board of Directors consisting of two Independent Directors namely Shri Babu Lal Dhanuka and Shri Prabhu Dayal Chomal and one Non-Executive Director namely Shri Shankar Lal Kedia.

STAKE HOLDERS COMMITTEE

The Stake Holders Committee consists of Three Directors Namely Sir Babu Lal Dhanuka, Sir Shankar Lal Kedia & Sri Prabhu Dayal Chomal.

EXTRACT OF ANNUAL RETURN

Pursuant to section 134(3)(a) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules 2014, the extract of annual return is annexed herewith and forming part of the report..

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

None of the employees is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 appended to the Companies Act, 2013.

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto forming part of this report.

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

Since the Company has no manufacturing activity, particulars relating to Conservation of Energy and Technology Absorption stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of Companies (Accounts) Rules, 2014, are not applicable.

There were no foreign exchange earnings and outgo during the year.

ACKNOWLEDGEMENTS

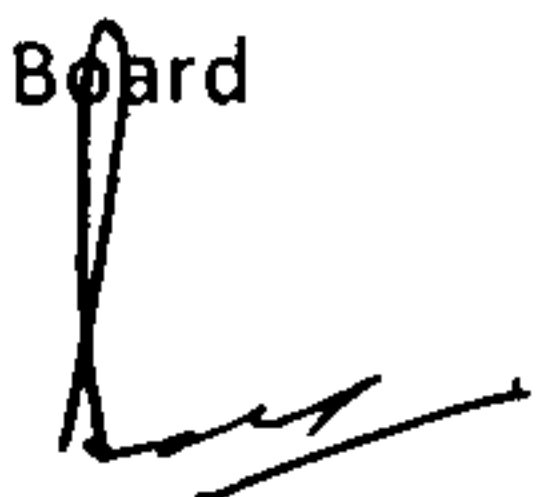
The Directors place on record their appreciation for the support the Company continues to receive from its Bankers and Shareholders and acknowledge the valuable contribution from the employees of the Company.

For and on behalf of the Board



B. L. DHANUKA

(DIN No. 00484041)



S. L. KEDIA

(DIN No. 00695689)

Place :Kolkata

Dated : 30/05/2016

KHERAPATI VANIJYA LTD.**EXTRACT OF ANNUAL RETURN**

FORM MGT-9

(Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014)
Financial Year ended on 31.03.2016

1. REGISTRATION AND OTHER DETAILS			
1.	CIN	::	L51109 WB 1982 PLC 034908
2.	REGISTRATION DATE	::	21-05-1982
3.	NAME OF THE COMPANY	::	KHERAPATI VANIJYA LIMITED
4.	CATEGORY/SUB CATEGORY OF THE COMPANY	::	COMPANY HAVING SHARE CAPITAL
5.	ADDRESS OF THE REGISTERED OFFICE	::	21, Strand Road, KOLKATA-700 001.
6.	WHETHER LISTED COMPANY	::	YES (LISTED IN CSE)
7.	NAME ADDRESS AND CONTACT DETAILS OF REGISTRAR AND TRANSFER AGENT	::	NICHE TECHNOLOGIES PVT LTD. D511, Bgree Market, 5 th floor, 71 B.R.B. Basu Road, Kolkata -700 001, 033 2234-3576,2235 7271/7270

2. PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY

All the Business activities contributing 10 % or more of the turnover of the Company shall be stated

Sl No.	Name and Description of Main Products/Services	NIC Code of the Product/Service	% of total turnover of the Company
1	NBFC	N I L	100%

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl No.	NAME AND ADDRESS OF THE COMPANY	CIN	HOLDING/SUBSIDIARY	% OF SHARE HELD	APPLICABLE SECTION
	N.A.				

4. SHAREHOLDING PATTERN

Category of Shareholders	No. of shares held at the beginning of the Year				No. of shares held at the end of the Year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	0	9,17,450	9,17,450	67.96	353,500	563,950	9,17,450	67.96	Nil	0
b) Central or State Govt										
c) Bodies Corporates	0	85,350	85,350	6.32	85,350	0	85,350	6.32	Nil	0
d) Bank/FI	0	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (1)	0	0	0	0	0	0	0	0	0	0
		10,02,800	10,02,800	74.28	438,850	563,950	10,02,800	74.28	Nil	0
(2) Foreign										
a) NRI Individuals	0	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0	0
c) Bodies. Corp	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)	0	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+ (A)(2)	0	10,02,800	10,02,800	74.28	438,850	563,950	10,02,800	74.28	Nil	0
B Public Shareholding										
(1) Institutions										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0	0
a) Central or Sate Govt	0	0	0	0	0	0	0	0	0	0
b) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
c) Insurance Co.	0	0	0	0	0	0	0	0	0	0
d) FIIS	0	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1)	0	0	0	0	0	0	0	0	0	0
(2) Non Institutions										
a) Bodies Corporate	0	307,000	3,07,000	22.74	307,000	0	3,07,000	22.74	Nil	0

b) Individual Shareholders		40,200	40,200	2.98	0	40,200	40,200	2.98	Nil	0
Having nominal Capital Upto One Lakhs	0	0	0	0	0	0	0	0	0	0
Having Nominal Capital more than One Lakhs	0	0	0	0	0	0	0	0	0	0
c) Any other Clearing Member	0	0	0	0	0	0	0	0	0	0
SUBTOTAL (B)(2)	0	40,200	3,47,200	25.72	307,000	40,200	3,47,200	25.72	Nil	0
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	347,200	3,47,200	25.72	307,000	40,200	3,47,200	25.72	Nil	0
SHARES HELD BY CUSTODIAN (C)	0	0	0	0	0	0	0	0	0	0
TOTAL (A)+(B)+(C)	0	13,50,000	13,50,000	100	745,850	604,150	13,50,000	100	0	0

SHAREHOLDING OF PROMOTERS

Sl No.	Shareholder Name	Shareholding at the beginning of the Year			Shareholding at the end of the Year			% Change in the Shareholding
		No. of Shares	% of Total Shares of the Company	% of Shares pledged encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged encumbered to total shares	
1	Sri Purushottam Dass Bangur	2,41,200	17.87	0	2,41,200	17.87	0	0
2	Sri Hemant Bangur	92,000	6.81	0	92,000	6.81	0	0
3	Smt. P. Devi Bangur	1,81,500	13.44	0	1,81,500	13.44	0	0
4	Smt. Vinita Bangur	80,000	5.93	0	80,000	5.93	0	0
5	G.D. Bangur HUF	1,87,750	13.91	0	1,87,750	13.91	0	0
6	P.D. Bangur HUF	1,35,000	10.00	0	1,35,000	10.00	0	0
7	Credwyn Holdings (I) Pvt. Ltd.	85,350	6.32	0	85,350	6.32	0	0
		10,02,800	74.28	0	10,02,800	74.28	0	0

CHANGE IN PROMOTERS SHAREHOLDING

Sl No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of total Shares of the Company
1	At the beginning of the Year	No changes in Promoter shareholding during the period			
2	Date wise Increase/decrease in Promoters Shareholding during the year Specifying the Reasons for increase/decrease	No changes in Promoter shareholding during the period			
3	At the end of the Year	No changes in Promoter shareholding during the period			

SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN PROMOTERS, DIRECTORS ETC)

Sl No.	For TOP TEN SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		SHAREHOLDING AT THE END OF THE YEAR	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Shree Capital Services Ltd.	1,13,650	8.42	1,13,650	8.42
2	Western India Comm. Co. Ltd.	23,400	1.73	23,400	1.73
3	Rajesh Vanijya (P) Ltd.	91,200	6.76	91,200	6.76
4	Mannakrishna Investments (P) Ltd.	78,750	5.83	78,750	5.83

SHAREHOLDING OF KMP AND DIRECTORS

Sl No.	For TOP TEN SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		SHAREHOLDING AT THE END OF THE YEAR	
		No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Sri Babulal Dhanuka	0	0	0	0
2	Sri P. D. Chomal	0	0	0	0
3	Sri Shankar Lal Kedia	0	0	0	0
4	Smt. Vinita Bangur	80,000	5.93	80,000	5.93

5. INDEBTNESS OF THE COMPANY INCLUDING INTEREST:- Nil

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of MD/WTD and/or Manager

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

B. Remuneration to other Directors

Sl.No.	Particulars of Remuneration	BABU LAL DHANUKA	PRABHU DAYAL CHOMAL	SHANKAR LAL KEDIA	VINITA BANGUR	TOTAL AMOUNT
1	Independent Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	TOTAL (1)	-	-	-	-	-
2	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	-	-	-	-	-
	• Commission	-	-	-	-	-
	• Others	-	-	-	-	-
	TOTAL (2)	-	-	-	-	-
	TOTAL (B)= (1)+(2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall ceiling as per the Act					

*Total remuneration to Managing Directors / Whole-time Directors / Manager and other Directors (being total of A and B)

C. Remuneration to Key Management Personnel other than MD/WTD and/or Manager

Sl. No.	Particulars of Remuneration	PUSHPA DEVI BANGUR	AJIT KUMAR JHA	Total Amount
1	Gross Salary per month			
	d) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	110,000/-	33,000/-	143,000/-
	e) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	f) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others	-	-	-
5	Others	-	-	-
	TOTAL (A)	110,000/-	33,000/-	143,000/-

7. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Prescription	Details of Penalty/punishment	Authority(RB/NCLT/COURT)	Appeal Made
A. COMPANY					
Penalty Punishment Compounding			NONE		
B. DIRECTORS					
Penalty Punishment Compounding			NONE		
Penalty Punishment Compounding			NONE		

CHAIRMAN & CFO CERTIFICATION

We, **Babulal Dhanuka** Chairman and **Ajit Kumar Jha**, Chief Financial Officer of **M/s. Kherapati Vanijya Limited**, to the best of our knowledge and belief, certify that :

a) We have reviewed the Financial Statements and Cash Flow Statements for The year ended 31st March 2016 and 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 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 transaction entered into by the Company during the Year which are fraudulent, illegal or violate of the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal control for the financial reporting and that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of 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 :

(i) Significant Changes in Internal Control during the Year;

(ii) Significant Changes in accounting policies during the year and 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 he management or an employee having a significant role in the company's internal control.

Ajit Kumar Jha
Chief Financial Officer

Babulal Dhanuka
Chairman

AUDITOR'S REPORT
TO
THE MEMBERS OF M/s. KHERAPATI VANIJYA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Kherapati Vanijya Limited ('the Company'), which comprise the balance sheet as at 31 March 2016, the statement of profit and loss and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

Auditor's Responsibility

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

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

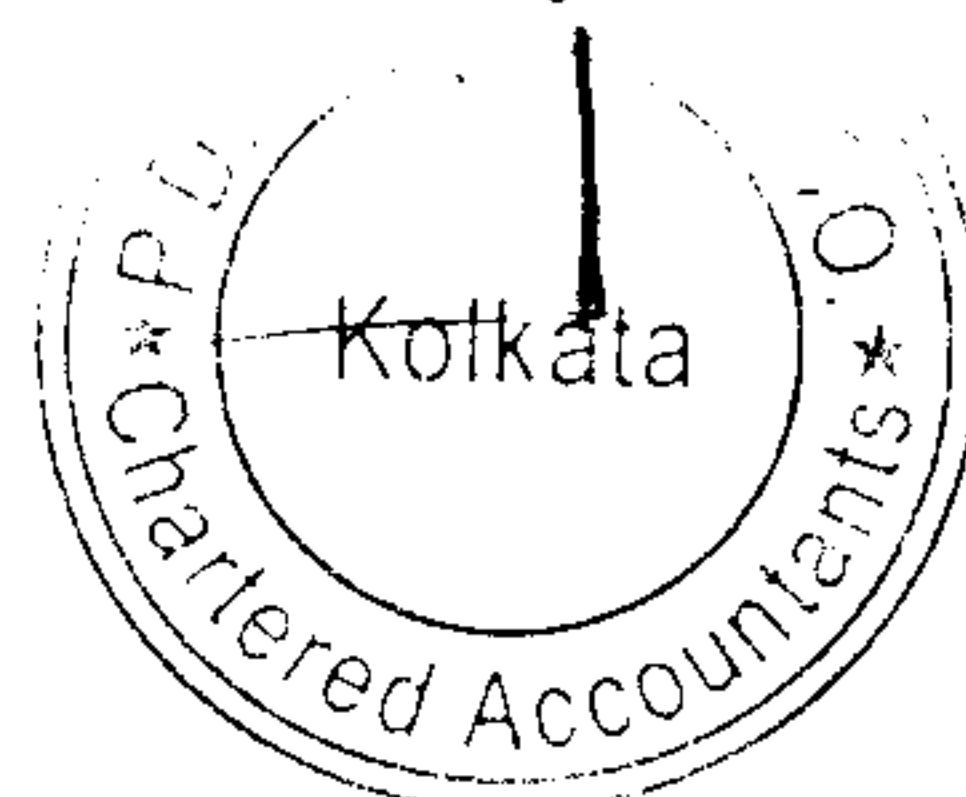
An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud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

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

Opinion

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

- (a) In case of the Balance sheet, of the state of affairs of the company as at March 31, 2016;
- (b) In the case of profit and loss Account, of the profit for the year ended on that date; and
- (c) In the case of the cash flow statement, of the cash flows for the year ended on that date.



Contd.....

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 of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.

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

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

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

(c) the balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) with respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in Annexure – B ; and

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

i. the Company does not have any pending litigations on its financial position in its financial statements

ii. the Company does not have any material foreseeable losses.

iii. The Company does not require to transfer any amount to the Investor Education and Protection Fund.

Kolkata

The 30th day of May, 2016



For, P D Randar & Co
Chartered Accountants



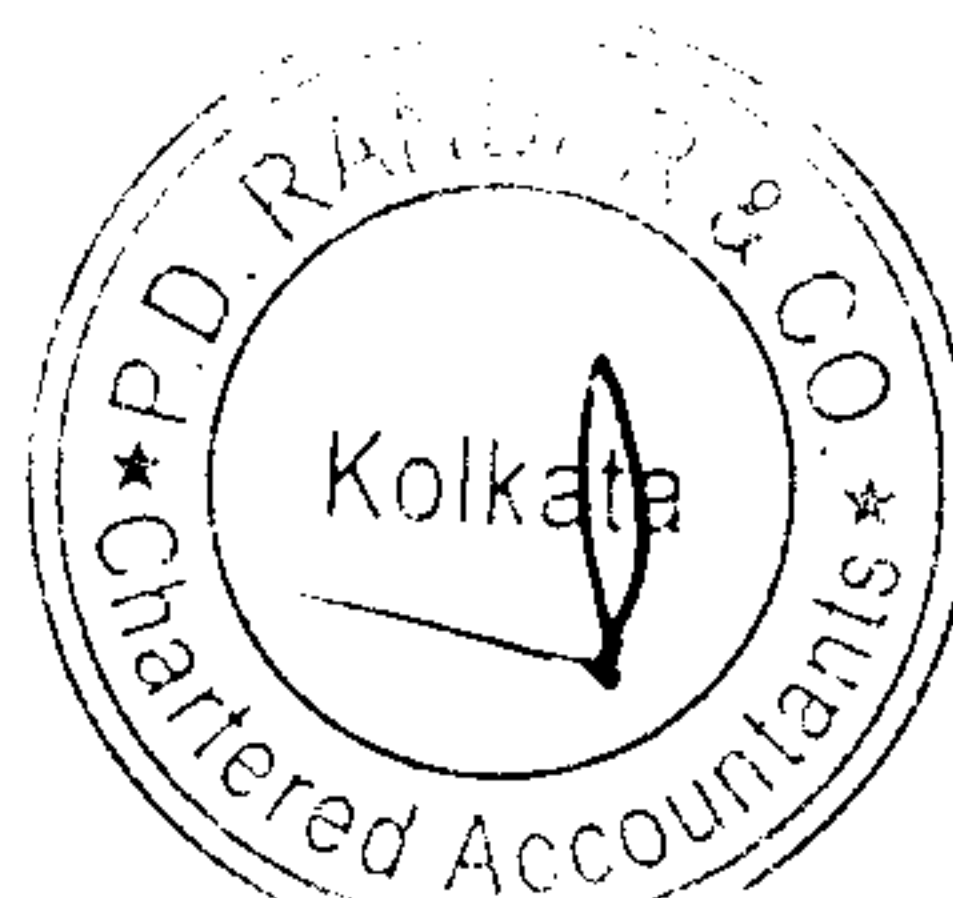
Shakti Ancharia
Partner

Membership No. 301692
Firm Regn. No.319295E

Annexure A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2016, we report that:

- (i) The Company does not have any fixed asset. Thus, paragraph 3(i) of the Order is not applicable.
- (ii) The Company does not have any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) The Company has granted loans to five bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (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 Act, with respect to loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii)
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of duty of customs which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) The company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly paragraph 3(viii) of the Order is not applicable.
- (ix) The company did not raise money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, Accordingly, paragraph 3(ix) of the Order is not applicable
- (x) According to the information and explanations given to us, no material fraud on or by the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.



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(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any transactions with the related parties in compliance with Sections 177 and 188 of the Act so the clause is not applicable for the Company.

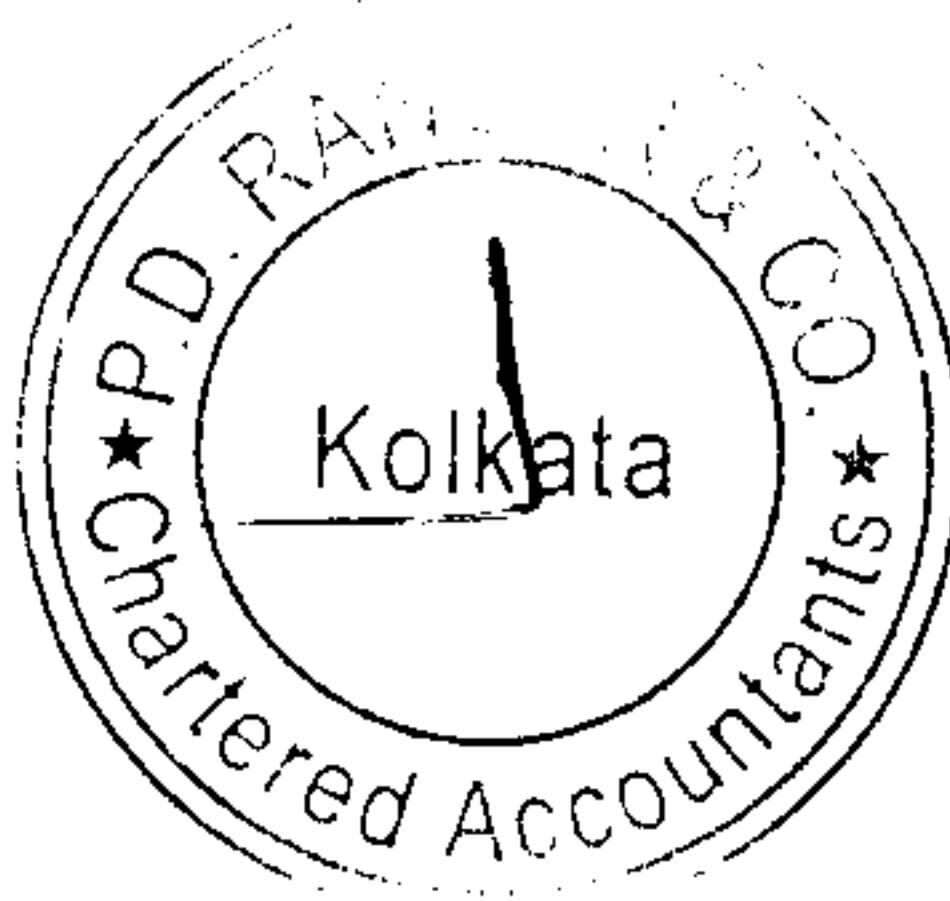
(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non cash transactions with Directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

(xvi) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

Kolkata

The 30th day of May, 2016



For, P D Randar & Co
Chartered Accountants



Shakti Ancharia
Partner

Membership No. 301692
Firm Regn. No.319295E

Annexure-B to the Auditor's Report

Report on the Financial Statements of Kherapati Vanijya Limited 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 the financial reporting of Kherapati Vanijya Limited ("the Company") as on 31 March, 2016 in conjunction with our audit of the 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 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 Companies Act,2013.

Auditor's Responsibility

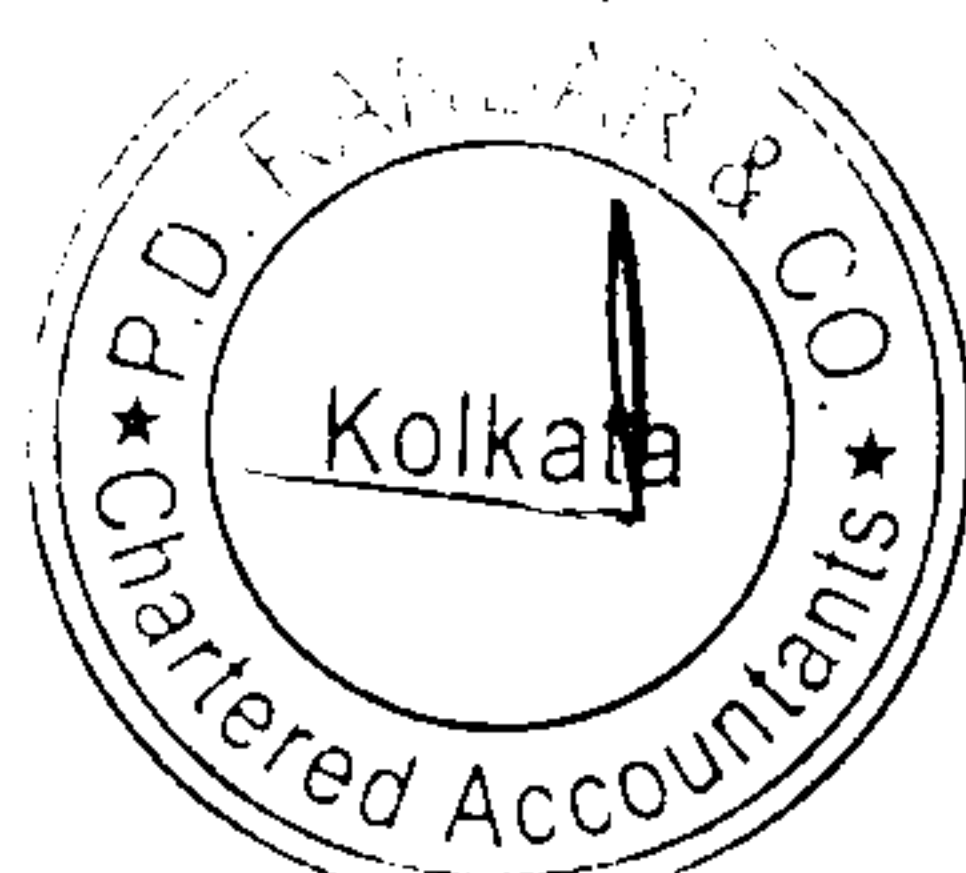
Our responsibility is to express an opinion on the Company's internal financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of 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 cost records that, in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance and transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Contd.....

