

# **Kherapati Vanijya Limited**

**Annual Report  
2022-23**

# **Kherapati Vanijya Limited**

**CIN No. L51109 WB 1982 PLC 034908**

**Annual Report & Accounts for the year ended 31<sup>st</sup> March, 2023**

**BOARD OF  
DIRECTORS**

**Smt. Vinita Bangur  
Sri Kishan Gopal Lohia  
Sri Manish Kumar Bihani  
Sri Abhay Somani**

**BANKERS**

**HDFC Bank  
State Bank of India**

**AUDITORS**

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

**REGISTERED  
OFFICE**

**21, Strand Road,  
Kolkata-700 001**

# KHERAPATI VANIJYA LIMITED

CIN: L51109WB1982PLC034908

## DIRECTORS' REPORT

### TO THE SHAREHOLDERS

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2023. The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS).

### FINANCIAL RESULTS:

The Summarized results of your Company are given in the table below:

<u>Particulars</u>	<u>(₹ In Hundreds)</u>	
	<u>Year ended</u> <u>31.03.2023</u>	<u>Year ended</u> <u>31.03.2022</u>
Profit Before Taxation	<u>37,310.40</u>	<u>44,523.60</u>
Less : Current Tax	<u>8,875.62</u>	<u>11,500.00</u>
Current Tax expense relating to prior period	<u>(729.13)</u>	<u>(5,617.00)</u>
Profit After Taxation	<u>29,163.91</u>	<u>38,640.60</u>
Add : Balance of Profit from Previous year	<u>1,52,389.99</u>	<u>1,31,749.39</u>
Profit available for appropriation	<u>1,81,553.90</u>	<u>1,70,389.99</u>
<b>APPROPRIATIONS:</b>		
Transfer to Statutory Reserve (as per RBI Guidelines)	<u>7,400.00</u>	<u>8,000.00</u>
Transfer to General Reserve	<u>10,000.00</u>	<u>10,000.00</u>
Balance Carried to Balance Sheet	<u>1,64,153.90</u>	<u>1,52,389.99</u>
	<u>1,81,553.90</u>	<u>1,70,389.99</u>

### 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 31<sup>st</sup> March, 2023.

### SHARE CAPITAL

The Company has two classes of shares – equity shares of par value ₹10/- each and 0.5% Non-Cumulative Redeemable Preference Shares of ₹100/- each. Its authorised share capital as on 31<sup>st</sup> March, 2023 was ₹3,00,000 Hundred divided into 15,00,000 equity shares of ₹10/- each and 1,50,000 (0.5%) Non-Cumulative Redeemable Preference Shares of ₹100/- each. The paid-up equity capital of the Company stood at ₹1,35,000 Hundred as at 31<sup>st</sup> March, 2023. During the year under review, the Company has not issued any shares.

### TRANSFER TO RESERVES

The Board proposes to transfer ₹7,400 Hundred to Reserve Fund pursuant to RBI Guidelines, ₹10,000 Hundred to the General Reserve out of the amount available for appropriations and an amount of ₹1,64,153.90 Hundred 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 ₹61,563.45 Hundred as against ₹69,979.54 Hundred in the preceding year. Profit before tax amounted to ₹37,310.40 Hundred as against ₹44,523.60 Hundred in the preceding year. Profit after tax stood at ₹29,163.91 Hundred as against ₹38,640.60 Hundred in the previous year.

Your Directors' are optimistic about Company's business and hopeful of better performance with increased revenue in coming years. There was no change in the nature of the business. 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.

### **PUBLIC DEPOSITS**

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

### **PARTICULARS OF LOANS AND GUARANTEES**

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 period under review, the Company had not entered into any materially significant contract / arrangement / transactions with related parties falling within the ambit of Section 188 of the Companies Act, 2013 except those disclosed in Note No.15 of the Financial Statements forming part of this Annual Report pursuant to the requirement of applicable Accounting Standard for such transactions. The transactions are with the key managerial personnel and company / enterprise of which the company is a related party and are in the ordinary course of business, at arm's length basis, are not in conflict with the Company's interests at large and are intended to further the Company's business interests. Related Party Disclosures as required under Listing Regulations is annexed to this report.

### **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.

### **RISK MANAGEMENT**

The main identified risks at the Company are Commercial Risks, Financial Risks, Market Risks, Operational Risks and Legal & Regulatory Risks. The Risk Management is overseen by the Audit Committee of the Company on a continuous basis. Your Company has established process and policies to ensure that risk to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Constitution of Risk Management Committee is not mandatory for the Company as per Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

### **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Board in consultation with the Nomination and Remuneration Committee has framed Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of directors and Policy relating to remuneration for the directors, key managerial personnel and other employees are available on our website and can be accessed on [http://kherapativanijya.com/pdf/policies/appointment\\_policy.pdf](http://kherapativanijya.com/pdf/policies/appointment_policy.pdf) and [http://kherapativanijya.com/pdf/policies/remuneration\\_policy.pdf](http://kherapativanijya.com/pdf/policies/remuneration_policy.pdf)

**Inductions**

The Shareholders at the 39<sup>th</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2022 approved the following appointments:

1. Shri Kishan Gopal Lohia, as a Director on the Board effective 12<sup>th</sup> August, 2022,
2. Shri Manish Kumar Bihani, as an independent director of the Board effective 12<sup>th</sup> August, 2022 for a period of five years till 11<sup>th</sup> August, 2027, and
3. Shri Abhay Somani, as an independent director of the Board effective 12<sup>th</sup> August, 2022 for a period of five years till 11<sup>th</sup> August, 2027.

In the opinion of the Board, the Independent Directors appointed during the year possesses appropriate integrity, skill, knowledge, proficiency and experience in the business carried on by the Company.

Based on the recommendation of the nomination and remuneration committee and after considering the knowledge, acumen, expertise, experience and the substantial contribution he brings to the Board, the committee has recommended the appointment of Shri Kishan Gopal Lohia as Chief Executive Officer (CEO) of the Company in addition to his responsibilities as a Director. The Board at its meeting approved the appointment of Shri Kishan Gopal Lohia as CEO of the Company in addition to his responsibilities as a Director effective from 30<sup>th</sup> May, 2023 subject to approval of shareholders.

The Board recommends his appointment and accordingly resolution seeking approval of the members for his appointment including his brief profile has been included in the Notice of forthcoming Annual General Meeting of the Company.

**Re-appointment**

*Director liable to retire by rotation*

In accordance with the provisions of the Companies Act, 2013, Company's Articles of Association and performance evaluation and recommendation of the nomination and remuneration committee, Shri Kishan Gopal Lohia (DIN:00021344), a Director of the Company retires by rotation and being eligible offers himself for re-appointment.

The Board recommends his re-appointment and accordingly resolution seeking approval of the members for his appointment including his brief profile has been included in the Notice of forthcoming Annual General Meeting of the Company.

**Cessation**

Smt. Pushpa Devi Bangur, Chief Executive Officer of the Company, expired on 25<sup>th</sup> April, 2023. The Board places on record its appreciation for the valuable contribution and guidance provided by Smt. Pushpa Devi Bangur during her tenure as KMP.

**Shareholding of Directors and KMPs**

Smt. Vinita Bangur, a Director of the Company holds 5.93% of the paid-up capital of the Company. Smt. Pushpa Devi Bangur, Chief Executive Officer of the Company holds 13.44% of the paid-up capital of the Company. Shri Ajit Kumar Jha, Chief Financial Officer of the Company holds 0.01% of the paid-up capital of the Company.

**Company Secretary**

Smt. Sneha Mundhra is the Company Secretary and also designated as Compliance Officer of the Company.

**DECLARATION BY INDEPENDENT DIRECTORS, DIRECTORS AND SENIOR MANAGEMENT**

The Company has received declarations from both the Independent Directors confirming that they meet the criteria of Independence as prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

The Independent Directors, Directors and Senior Management including the employees have complied with their obligations as mentioned under Regulations 25 and 26 of the Listing Regulations.

**BOARD EVALUATION**

The performance evaluation of the Board, its Committees and Individual Directors was conducted after seeking inputs from all the directors on the basis of criteria such as the composition and structure, effectiveness of processes, functioning etc.

The Independent Directors held a separate meeting, which reviewed the performance of non-independent directors and the Board as a whole, took into account the views of non-executive directors and to assess the quality, quantity and timeliness of flow of information between the management and the Board. The Independent Directors were satisfied with the performance of the Board as a whole and timeliness of flow of information.

Some of the key criteria for performance evaluation are as follows:-

*Performance evaluation of Directors:*

- Attendance at Board or Committee meetings.
- Contribution at Board or Committee meetings.
- Guidance / support to management outside the Board / Committee meetings.

*Performance evaluation of Board and Committees:*

- Board structure and composition
- Degree of fulfillment of key responsibilities
- Establishment and delineation of responsibilities to Committees
- Effectiveness of Board processes, information and functioning
- Board culture and dynamics
- Quality of relationship between Board and Management
- Efficacy of communication with external shareholders.

**FAMILIARISATION PROGRAM FOR INDEPENDENT DIRECTORS**

All new independent directors inducted into the Board attend an orientation program. Further, at the time of appointment of an independent director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The familiarisation program is available on our website.

**AUDITORS AND AUDITORS' REPORT**

M/s P.D. Randar & Co., Chartered Accountants having Firm Registration No.319295E, were appointed as Statutory Auditors by the Company at the Annual General Meeting (AGM) held in the year 2022, for a term of five consecutive years to hold office from the conclusion of the 39<sup>th</sup> AGM till the conclusion of the 44<sup>th</sup> AGM to be held in the year 2027. Members are required to fix their remuneration for the financial year ending 31<sup>st</sup> March, 2024.

The report of the Auditors M/s P.D. Randar & Co., for the financial year ended 31<sup>st</sup> March, 2023 is self-explanatory and does not call for any further comments.

## **SECRETARIAL AUDIT REPORT**

The Secretarial Audit for the financial year 2022-23 has been conducted by Shri Mukesh Chaturvedi, a Peer-Reviewed Practicing Company Secretary. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark requiring explanation or clarification from the Board. The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2023 is annexed to this Report.

## **COST RECORDS AND COST AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of section 148(1) of the Companies Act, 2013 are not applicable for the business carried out by the Company.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the statutory auditors nor the secretarial auditor has reported to the audit committee, under section 143(12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, and hence the requirement to mention the same in this report is not applicable.

## **MEETINGS OF THE BOARD**

Five meetings of the Board and One meeting of Independent Directors were held during the year. The intervening gap between the meetings of the Board was within the period prescribed under the Companies Act, 2013.

## **COMMITTEES OF THE BOARD**

### **Audit Committee**

The Audit Committee presently comprises of two Independent Directors namely Shri Manish Kumar Bihani (Chairman) and Shri Abhay Somani and Shri Kishan Gopal Lohia as the other member and is currently functioning as such.

### **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 provides safeguards against victimization of employees.

### **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee consists of two Independent Directors namely Shri Manish Kumar Bihani (Chairman) and Shri Abhay Somani and one Non-Executive Director namely Shri Kishan Gopal Lohia and is currently functioning as such.

### **Stakeholders Relationship Committee**

As per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Stakeholders Relationship Committee consists of Directors Shri Kishan Gopal Lohia (Chairman), Shri Abhay Somani and Shri Manish Kumar Bihani as other members for the purpose of attending to investors' grievances including complaints related to transfer / transmission of shares of the Company, non-receipt of annual report and non-receipt of declared dividends etc. The Company has not received any investor complaint during the FY 2022-23.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Provisions relating to Corporate Social Responsibility (CSR) are not applicable to the Company since the net profit of the company excluding dividend income is less than rupees five crores.

**ANNUAL RETURN**

In accordance with the Companies Act, 2013, the Annual Return in the prescribed format is available at [www.kherapativanijya.com](http://www.kherapativanijya.com)

**SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

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

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby states and confirms that:

- i) in preparation of the Annual Accounts for the financial year 2022-23, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any
- ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) they have prepared the Annual Accounts for the period ended 31<sup>st</sup> March, 2023 on a going concern basis;
- v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating properly;
- vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**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 as amended 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, disclosures 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.

## **LISTING ON STOCK EXCHANGE AND FEE**

The Company's shares are presently listed at the Calcutta Stock Exchange Limited and the Company has executed Listing Agreement with the said stock exchange. The Company has paid the annual listing fee to the Stock Exchange for the financial year 2023-24.

## **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year, the Company was not required to transfer any amount or shares to Investor Education and Protection Fund (IEPF) as per sections 124 and 125 of the Companies Act, 2013 and Rules made there under. Further the Company does not have any amount or shares which are required to be transferred to IEPF Account.

## **CORPORATE GOVERNANCE**

In terms of the provisions of Regulation 15 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, report on Corporate Governance for fiscal 2023 is not applicable to the Company. The Company will start compliance thereof within 6 months of the same being applicable to the Company. There are no shares in the demat suspense / unclaimed suspense account as on the date of this Report as required under Schedule V Part F of the Listing Regulations.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis is set out hereunder and forms part of this Annual Report.

## **BUSINESS RESPONSIBILITY REPORT**

In terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inclusion of Business Responsibility Report as part of the Annual Report is not applicable to the Company.

## **CODE OF CONDUCT**

The Company is compliant of requirement of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by framing Code of Business Conduct and Ethics ("Code of Conduct"). The Code of Conduct is applicable to the employees including directors of the Company and is available on the Company's website. All employees including directors of the Company have affirmed compliance to the Code of Conduct as on March 31, 2023.

## **PREVENTION OF INSIDER TRADING**

The Company has adopted an Insider Trading Policy to regulate, monitor and report trading by insiders under the SEBI (Prohibition of Insider Trading) Regulations, 2015. This Policy also includes code of practices and procedures for fair disclosure of unpublished price sensitive information, initial and continual disclosures. The Board reviews the Policy / Code on a need-to-know basis. This Policy is available on our website.

**SECRETARIAL STANDARDS**

The Company has complied with Secretarial Standards relating to General Meetings and Board Meetings as issued by Institute of Company Secretaries of India.

**SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

Sexual harassment of a woman at workplace is of serious concern to humanity on the whole. Keeping in view the problem of sexual harassment the company has framed a policy to prevent incidents of sexual harassment as required under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules framed there under. However, constitution of Internal Committee as required under the Act is not applicable to the Company since the company has less than 10 employees. Moreover, no complaint pertaining to sexual harassment was filed by any woman during the financial year under report, hence no disclosures are applicable. This Policy is available on our website.

**POLICIES**

In addition to its Code of Business Conduct and Ethics, key policies that have been adopted by the Company and uploaded on its website are as under:

Name of the Policy	Web link
Policy for selection and appointment of Directors, Senior Management including criteria for determining qualifications, positive attributes and independence of the directors	<a href="http://kherapativanijya.com/pdf/policies/appointment_policy.pdf">http://kherapativanijya.com/pdf/policies/appointment_policy.pdf</a>
Archival Policy for Website content	<a href="http://kherapativanijya.com/pdf/policies/archival_policy.pdf">http://kherapativanijya.com/pdf/policies/archival_policy.pdf</a>
Policy on Determination of Materiality	<a href="http://kherapativanijya.com/pdf/policies/determination_materialty.pdf">http://kherapativanijya.com/pdf/policies/determination_materialty.pdf</a>
Familiarisation Program for Independent Directors	<a href="http://kherapativanijya.com/pdf/policies/familiarisation_program.pdf">http://kherapativanijya.com/pdf/policies/familiarisation_program.pdf</a>
Information on Familiarisation Programmes for Independent Directors	<a href="http://kherapativanijya.com/pdf/policies/information_familiarisation_programme.pdf">http://kherapativanijya.com/pdf/policies/information_familiarisation_programme.pdf</a>
Insider Trading Code	<a href="http://kherapativanijya.com/pdf/policies/insider_trading_code.pdf">http://kherapativanijya.com/pdf/policies/insider_trading_code.pdf</a>
Policy for Determining Material Subsidiary	<a href="http://kherapativanijya.com/pdf/policies/determination_material_subsidary.pdf">http://kherapativanijya.com/pdf/policies/determination_material_subsidary.pdf</a>

Related Party Transactions Policy	<a href="http://kherapativanijya.com/pdf/policies/related_party_transaction.pdf">http://kherapativanijya.com/pdf/policies/related_party_transaction.pdf</a>
Policy relating to remuneration for the directors, key managerial personnel and other employees	<a href="http://kherapativanijya.com/pdf/policies/remuneration_policy.pdf">http://kherapativanijya.com/pdf/policies/remuneration_policy.pdf</a>
Vigil Mechanism and Whistle Blower Policy	<a href="http://kherapativanijya.com/pdf/policies/whistle_blower_policy.pdf">http://kherapativanijya.com/pdf/policies/whistle_blower_policy.pdf</a>
Code of Conduct for Prohibition of Insider Trading	<a href="http://kherapativanijya.com/pdf/policies/prohibition_insider_trading.pdf">http://kherapativanijya.com/pdf/policies/prohibition_insider_trading.pdf</a>
Prohibition of Sexual Harassment Policy	<a href="http://kherapativanijya.com/pdf/policies/prevention_sexual_harassment.pdf">http://kherapativanijya.com/pdf/policies/prevention_sexual_harassment.pdf</a>

#### 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

Place : Kolkata  
Dated : 4<sup>th</sup> August, 2023

  
(KISHAN GOPAL LOHIA)  
DIN:00021344

  
(VINITA BANGUR)  
DIN:01140985

Directors

Annexure to the Director's Report**RELATED PARTY DISCLOSURE**

Format for disclosure of transactions with related parties as referred to in Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in compliance with the applicable Accounting Standards

Details of transactions with related parties:

Nature of Transactions	Name of related party	Description of Relationship	Amount (Rs.)
Payment of Remuneration	Smt. Pushpa Devi Bangur	Chief Executive Officer Key Management Personnel	NIL
Payment of Remuneration	Shri Ajit Kumar Jha	Chief Financial Officer Key Management Personnel	10,38,400/-
Payment of Remuneration	Smt. Sneha Mundhra	Company Secretary Key Management Personnel	144,000/-
Loan Given Refund Received	Madhav Trading Corporation Ltd.	Director Interested	34,00,000/-
Loan Given Refund Received	Shri Vasuprada Plantations Ltd. (Formerly Joonkoollee Tea & Industries Ltd.)	Director Interested	3,53,00,000/-

For and on behalf of the Board

Place : Kolkata  
Dated : 4<sup>th</sup> August, 2023

  
(KISHAN GOPAL LOHIA)  
DIN:00021344

  
(VINITA BANGUR)  
DIN:01140985

Directors

## SECRETARIAL AUDIT REPORT

Form No.MR-3

FOR THE FINANCIAL YEAR ENDED 31.03.2023

*[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 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended]*

To,

The Members,

**KHERAPATI VANIJYA LIMITED,**  
21, Strand Road, Kolkata – 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KHERAPATI VANIJYA LIMITED** (hereinafter called the company) having CIN: L51109WB1982PLC034908. 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 **KHERAPATI VANIJYA LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2023 generally 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 **KHERAPATI VANIJYA LIMITED** ("the Company") for the financial year ended on 31.03.2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there-under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there-under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there-under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there-under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Not Applicable;**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable**
  - e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
  - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable;**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable;**
- i) The Securities and Exchange Board of India (Shares based Employee Benefits) Regulations, 2014; **Not Applicable**
- j) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
- k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **Not Applicable**
- l) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 and 2018

(vi) The Other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/industry are

- a) Reserve Bank of India Act, 1934

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

**I further report that,** the compliance by the Company of applicable financial laws such as direct and indirect tax laws, as applicable, and maintenance of financial records and books of accounts including compliances of accounting standards issued by ICAI have not been reviewed in this Audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

**I further report that,** the Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. Though the Company has no Executive Director but they have CEO, CFO and CS. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All decisions at the Board Meetings are carried out unanimously as recorded in the Minutes of the Meeting of the Board of Directors.

**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.

Place : Kolkata

Date : 15.05.2023



A handwritten signature in black ink, appearing to read "Mukesh Chaturvedi".

**Mukesh Chaturvedi**  
**A Peer-Reviewed Practicing Company Secretary**  
FCS: 11063  
CP: 3390  
Peer Review Certificate No.:939/2020  
UDIN: F011063E000310296

This report is to be read with Annexure A which forms an integral part of this report.

## Annexure A

To,  
The Members,  
Kherapati Vanijya Ltd.,  
21, Strand Road,  
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 my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I 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 including compliances of accounting standards issued by ICAI.
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, regulations, standards is the responsibility of the Management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place : Kolkata  
Date : 15.05.2023



**Mukesh Chaturvedi**  
**A Peer-Reviewed Practicing Company Secretary**  
**FCS: 11063**  
**CP: 3390**  
**Peer Review Certificate No.:939/2020**  
**UDIN: F011063E000310296**

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

- i) **Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year**  
Not Applicable, as none of the directors draw remuneration.
- ii) **Percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year**  
8.12% increase in remuneration of Shri Ajit Kumar Jha, Chief Financial Officer of the Company, in the financial year 2022-23. Remuneration of Company Secretary has not been considered as no increment was granted to her for fiscal 2023. Moreover, Smt. Pushpa Devi Bangur, Chief Executive Officer of the Company has voluntarily chose not to receive any remuneration for her services rendered to the Company.
- iii) **Percentage increase in the median remuneration of employees in the financial year**  
8.47%.
- iv) **Number of permanent employees on the rolls of Company**  
4 (Four)
- v) **Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration**  
The average increase in salaries of employees other than managerial personnel in 2022-23 was 8.21%. Percentage increase in the managerial remuneration for the year was 8.12%.
- vi) **It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for directors, key managerial personnel and other employees.**



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

The outlook presented herein is based on management's own assessment and it may vary due to future economic and other developments in the country and abroad.

### INDUSTRY & ECONOMY OVERVIEW

#### Global Economy

According to International Monetary Fund:

*Global growth is projected to fall from an estimated 3.4 percent in 2022 to 2.9 percent in 2023, then rise to 3.1 percent in 2024. The forecast for 2023 is 0.2 percentage point higher than predicted in the October 2022 World Economic Outlook (WEO) but below the historical (2000–19) average of 3.8 percent. The rise in central bank rates to fight inflation and Russia's war in Ukraine continue to weigh on economic activity. The rapid spread of COVID-19 in China dampened growth in 2022, but the recent reopening has paved the way for a faster-than-expected recovery. Global inflation is expected to fall from 8.8 percent in 2022 to 6.6 percent in 2023 and 4.3 percent in 2024, still above pre-pandemic (2017–19) levels of about 3.5 percent.*

*The balance of risks remains tilted to the downside, but adverse risks have moderated since the October 2022 WEO. On the upside, a stronger boost from pent-up demand in numerous economies or a faster fall in inflation are plausible. On the downside, severe health outcomes in China could hold back the recovery, Russia's war in Ukraine could escalate, and tighter global financing conditions could worsen debt distress. Financial markets could also suddenly reprice in response to adverse inflation news, while further geopolitical fragmentation could hamper economic progress.*

*In most economies, amid the cost-of-living crisis, the priority remains achieving sustained disinflation. With tighter monetary conditions and lower growth potentially affecting financial and debt stability, it is necessary to deploy macroprudential tools and strengthen debt restructuring frameworks. Accelerating COVID-19 vaccinations in China would safeguard the recovery, with positive cross-border spillovers. Fiscal support should be better targeted at those most affected by elevated food and energy prices, and broad-based fiscal relief measures should be withdrawn. Stronger multilateral cooperation is essential to preserve the gains from the rules-based multilateral system and to mitigate climate change by limiting emissions and raising green investment.*

#### Forces Shaping the Outlook

The global fight against inflation, Russia's war in Ukraine, and a resurgence of COVID-19 in China weighed on global economic activity in 2022, and the first two factors will continue to do so in 2023.

Despite these headwinds, real GDP was surprisingly strong in the third quarter of 2022 in numerous economies, including the United States, the euro area, and major emerging market and developing economies. The sources of these surprises were in many cases domestic: stronger-than-expected private consumption and investment amid tight labor markets and greater-than-anticipated fiscal support. Households spent more to satisfy pent-up demand, particularly on services, partly by drawing down their stock of savings as economies reopened. Business investment rose to meet demand. On the supply side, easing bottlenecks and declining transportation costs reduced pressures on input prices and allowed for a rebound in previously constrained sectors, such as motor vehicles. Energy markets have adjusted faster than expected to the shock from Russia's invasion of Ukraine.

In the fourth quarter of 2022, however, this uptick is estimated to have faded in most—though not all—major economies. US growth remains stronger than expected, with consumers continuing to spend from their stock of savings (the personal saving rate is at its lowest in more than 60 years, except for July 2005), unemployment near historic lows, and plentiful job opportunities. But elsewhere, high-frequency activity indicators (such as business and consumer sentiment, purchasing manager surveys, and mobility indicators) generally point to a slowdown.

The Union Minister for Finance & Corporate Affairs, Smt. Nirmala Sitharaman presented the Economic Survey 2022-23 in Parliament on 31<sup>st</sup> January, 2022. The Economic Survey are as follows:

### **State of the Economy:**

In general, global economic shocks in the past were severe but spaced out in time. This changed in the third decade of this millennium. At least three shocks have hit the global economy since 2020. It all started with the pandemic-induced contraction of the global output, followed by the Russian-Ukraine conflict leading to a worldwide surge in inflation. Then, the central banks across economies led by the Federal Reserve responded with synchronised policy rate hikes to curb inflation. The rate hike by the US Fed drove capital into the US markets causing the US Dollar to appreciate against most currencies. This led to the widening of the Current Account Deficits (CAD) and increased inflationary pressures in net importing economies. The rate hike and persistent inflation also led to a lowering of the global growth forecasts for 2022 and 2023 by the IMF in its October 2022 update of the World Economic Outlook. The frailties of the Chinese economy further contributed to weakening the growth forecasts. Slowing global growth apart from monetary tightening may also lead to a financial contagion emanating from the advanced economies where the debt of the non-financial sector has risen the most since the global financial crisis. With inflation persisting in the advanced economies and the central banks hinting at further rate hikes, downside risks to the global economic outlook appear elevated.

The Indian economy, however, appears to have moved on after its encounter with the pandemic, staging a full recovery in FY22 ahead of many nations and positioning itself to ascend to the pre-pandemic growth path in FY23. Yet in the current year, India has also faced the challenge of reining in inflation that the European strife accentuated. Measures taken by the government and RBI, along with the easing of global commodity prices, have finally managed to bring retail inflation below the RBI upper tolerance target in November 2022. However, the challenge of the depreciating rupee, although better performing than most other currencies, persists with the likelihood of further increases in policy rates by the US Fed. The widening of the CAD may also continue as global commodity prices remain elevated and the growth momentum of the Indian economy remains strong. The loss of export stimulus is further possible as the slowing world growth and trade shrinks the global market size in the second half of the current year.

Despite these, agencies worldwide continue to project India as the fastest-growing major economy at 6.5-7.0 per cent in FY23. These optimistic growth forecasts stem in part from the resilience of the Indian economy seen in the rebound of private consumption seamlessly replacing the export stimuli as the leading driver of growth. The uptick in private consumption has also given a boost to production activity resulting in an increase in capacity utilisation across sectors. The rebound in consumption was engineered by the near-universal vaccination coverage overseen by the government that brought people back to the streets to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, among others. The world's second-largest vaccination drive involving more than 2 billion doses also served to lift consumer sentiments that may prolong the rebound in consumption. Vaccinations have facilitated the return of migrant workers to cities to work in construction sites as the rebound in consumption spilled over into the housing market. This is evident in the housing market witnessing a significant decline in inventory overhang to 33 months in Q3 of FY23 from 42 months last year.

The Capital Expenditure (Capex) of the central government, which increased by 63.4 per cent in the first eight months of FY23, was another growth driver of the Indian economy in the current year, crowding in the private Capex since the January-March quarter of 2022. On current trend, it appears that the full year's capital expenditure budget will be met. A sustained increase in private Capex is also imminent with the strengthening of the balance sheets of the Corporates and the consequent increase in credit financing it has been able to generate. A much-improved financial health of well-capitalised public sector banks has positioned them better to increase the credit supply. Consequently, the credit growth to the Micro, Small, and Medium Enterprises (MSME) sector has been remarkably high, over 30.6 per cent, on average during Jan-Nov 2022, supported by the extended Emergency Credit Linked Guarantee Scheme (ECLGS) of the Union government. The increase in the overall bank credit has also been influenced by the shift in borrower's funding choices from volatile bond

markets, where yields have increased, and external commercial borrowings, where interest and hedging costs have increased, towards banks. If inflation declines in FY24 and if real cost of credit does not rise, then credit growth is likely to be brisk in FY24.

India's economic growth in FY23 has been principally led by private consumption and capital formation. It has helped generate employment as seen in the declining urban unemployment rate and in the faster net registration in Employee Provident Fund. Still, private capex soon needs to take up the leadership role to put job creation on a fast track. Recovery of MSMEs is proceeding apace, as is evident in the amounts of Goods and Services Tax (GST) they pay, while the Emergency Credit Linked Guarantee Scheme (ECLGS) is easing their debt servicing concerns. The Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) has been directly providing jobs in rural areas and indirectly creating opportunities for rural households to diversify their sources of income generation. Schemes like PM-Kisan and PM Garib Kalyan Yojana have helped in ensuring food security in the country, and their impact was also endorsed by the United Nations Development Programme (UNDP)<sup>1</sup>. The results of the National Family Health Survey (NFHS) also show improvement in rural welfare indicators from FY16 to FY20, covering aspects like gender, fertility rate, household amenities, and women empowerment.

Global growth has been projected to decline in 2023 and is expected to remain generally subdued in the following years as well. The slowing demand will likely push down global commodity prices and improve India's CAD in FY24. However, a downside risk to the Current Account Balance stems from a swift recovery driven mainly by domestic demand and, to a lesser extent, by exports. The CAD needs to be closely monitored as the growth momentum of the current year spills over into the next. Growth is expected to be brisk in FY24 as a vigorous credit disbursement, and capital investment cycle is expected to unfold in India with the strengthening of the balance sheets of the corporate and banking sectors. Further support to economic growth will come from the expansion of public digital platforms and path-breaking measures such as PM GatiShakti, the National Logistics Policy, and the Production-Linked Incentive schemes to boost manufacturing output.

### **NBFC Sector**

*The Indian financial sector has remained resilient building on the consolidation of the banking sector's balance sheet, the ongoing reduction in bad loans and the buffering of risk absorbing capacity. Macro stress tests indicate that all banks would meet the regulatory minimum capital requirements even in a severe stress scenario. Stress tests indicate that some non-banking financial companies may be vulnerable to liquidity shocks. Contagion risks and consequent additional solvency losses remain limited.*

NBFCs have been emerging as an alternative to mainstream banking. They are also emerging as an integral part of Indian Financial System and are contributing towards Government's agenda of financial inclusion. The shift in credit intermediation from banks to non-banks has given the corporate sector a diverse choice of financing instruments. Such market-intermediated credit flows require robust supporting infrastructure in the form of appropriate valuation regime as also informative and responsive credit rating framework. Credit extended by NBFCs is picking up momentum, with the aggregate outstanding amount at ₹31.5 lakh crore as of September 2022. NBFCs continued to deploy the largest quantum of credit from their balance sheets to the industrial sector, followed by retail, services, and agriculture. Loans to the services sector (share in outstanding credit being 14.7 per cent) and personal loans (share of 29.5 per cent) registered a robust double-digit growth.

According to Financial Stability Report (FSR) released by RBI:-

- Borrowings constituted the largest source of funds for NBFCs, although their share has come down since March, 2020. Their dependence on banks for funds had grown during H1:2022-23. Borrowings from banks (mostly term loans) constituted the major part of funding from banks.
- The global economy is facing formidable headwinds with recessionary risks looming large. The interplay of multiple shocks has resulted in tightened financial conditions and heightened volatility in financial markets.

- The Indian economy is confronting strong global headwinds. Yet, sound macroeconomic fundamentals and healthy financial and non-financial sector balance sheets are providing strength and resilience and engendering financial system stability.
- Buoyant demand for bank credit and early signs of a revival in investment cycle are benefiting from improved asset quality, return to profitability and strong capital and liquidity buffers of scheduled commercial banks (SCBs).
- The gross non-performing asset (GNPA) ratio of scheduled commercial banks (SCBs) fell to a seven-year low of 5.0 per cent and net non-performing assets (NNPA) have dropped to ten-year low of 1.3 per cent in September 2022.
- Macro stress tests for credit risk reveal that SCBs would be able to comply with the minimum capital requirements even under severe stress scenarios. The system-level capital to risk weighted assets ratio (CRAR) in September 2023, under baseline, medium and severe stress scenarios, is projected at 14.9 per cent, 14.0 per cent and 13.1 per cent, respectively.
- Stress tests for open-ended debt mutual funds showed no breach in limits pertaining to interest rate, credit and liquidity risks. Consolidated solvency ratio of both life and non-life insurance companies also remained above the prescribed minimum level.

Moreover, in the current fiscal, the fiscal plans will also be subject to the unknown impact of the major reforms undertaken in the past year. Any adverse impact, even if in the short run, could be detrimental to the fiscal math.

## **COMPANY'S POSITION**

The Company is registered with the RBI as a Non-Banking Financial Institution and is categorized as Non-Deposit taking NBFC (NBFC-ND). The operation of the company during the year was centered in investments in shares and securities providing loans. Additionally the company was investing in Mutual Funds too. The main income of the Company is dividend income on long-term investments & interest on fixed deposit and loans and profit from sale of investments. The results of the Company's operations for the financial year ended 31<sup>st</sup> March, 2022 have been dealt with in the Director's Report. The Company, being into finance and investment activity, the impact of movement of stock markets affects its profitability.

## **OPPORTUNITIES AND THREAT**

The year FY 2022-23 started on a note of optimism. It is however believed that Indian economy will sustain its growth momentum and hence the growth of financial services sector presents exciting opportunities like India's long-term growth story remains intact notwithstanding declining growth in the past two three years. This presents good opportunities for us to grow our business in the medium to long term. We further believe the policy liberalization, Government emphasis on infrastructure spending and forward-looking regulatory changes will help markets grow in size.

At the same time, there could be some threats for growth of financial services sector like inflation, high interest rates, escalating NPAs leading to liquidity issues, lack of sound risk management practices, global commodities prices and current account deficit which can play spoilsport with the India growth story. While positive Government policies and regulatory changes do enlarge the scope of opportunities for financial sector companies, lack of or delay in reforms or certain regulatory changes can significantly impact the performance of NBFCs business. As regards our Company a thorough due diligence is conducted at our end through market enquiries before making investments. The execution of investment transactions is monitored on regular basis with reference to target price.

It is a fact that India has been at a low investment grade level for almost a decade. Therefore, for the last decade, the global perception of risk in Indian Bond markets has remained the same, inspite of the high growth rates and major economic reforms. One of the main reasons for this stickiness is the high level of consolidated debt of the government. This is a cause for concern as sovereign ratings are critical in determining the flow of global capital. The surging NPA's in the banking sector presents another major cause of concern.



**PERFORMANCE**

The Company is a Non-Banking Finance Company, its core business is financial business. Hence, there is no separate segment. The revenue details along with Profit Before Tax (PBT) & Profit After Tax (PAT) are given below:

**Revenue details along with PBT & PAT of the Company of last five years**

Particulars	2022-23	2021-22	2020-21	2019-20	2018-19
Income	61,56,345	69,97,954	70,31,053	67,40,844	51,54,127
Profit Before Tax (PBT)	37,31,040	44,52,366	41,00,863	16,32,646	2,17,555
Profit After Tax (PAT)	29,16,391	38,64,061	29,64,319	11,92,646	1,25,290

The total income is derived mainly from dividend from investments in shares and securities of companies and interest on loans to companies.

**OUTLOOK**

A significant portion of the Company's income arises from investment and share trading operation, which are largely dependent on the condition of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of other factors like inflation, domestic savings, surging portfolio investments into India etc. The unusual developments in the global economy may pose uncertainties and challenges for the emerging market economies like India.

The growth in the sector is good. The Company is trying various options to improve its margins, by having tight control over expenses & exploring other opportunities. The Company has investment policy wherein it invests in those securities which have easy liquidity, better yield and potential for price appreciation in medium to long run.

**RISK & CONCERNS**

Many developing countries including India have reaped handsome rewards from surging capital inflows in recent years. This is regarded as a welcome phenomenon. But surging capital inflows can sometimes have destabilizing side effects, undermine competitiveness of export industries, and potentially giving rise to inflation among reforms setbacks, geopolitical tension, economic slowdown and policy uncertainty. Surging trade wars and tariffs are another area of concern as they restrict the scope of free movement of commodities from the emerging economies to the developed ones.

Other risks & concerns are as follows:

- Unsuccessful strategic engagements and investments
- Unpredictable expenses
- Declining interest rates
- Negative media coverage and public scrutiny
- New and changing corporate governance and public disclosure requirements
- Changes in tax policies in an adverse manner
- Attempts to address undue concerns of activist shareholders
- Reputation risk
- Litigation
- Natural and manmade disasters

Our actual results could differ materially from those anticipated above as a result of certain factors.

**INTERNAL CONTROL SYSTEM**

The Company has implemented a comprehensive system of internal controls and risk management for achieving operational efficiency, optimal utilization of resources, credible financial reporting and compliance with local laws. These controls are regularly reviewed internally for effectiveness.

The Company's internal control system is aimed at covering all areas of operations. The transactions entered into by the Company are duly authorized and recorded correctly. It has implemented suitable controls to ensure that financial transactions are reported with accuracy and that there is strict compliance with applicable laws and regulations.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

**(a) Financial Review and Analysis**

Table indicating Income, Depreciation & Profits

Accounts	(Rs. In Hundred)	
	For the year ended 31.03.2023	For the year ended 31.03.2022
Income	61,563.45	69,979.54
Less: Expenditure	24,253.05	25,455.94
Profit Before Tax	37,310.40	44,523.60
Tax Provisions	8,146.49	5,883.00
Profit After Tax	29,163.91	38,640.60

**(b) Dividend**

Your company has made a Net Profit of ₹29,163.91 Hundred and Net Worth is ₹5,69,594.52 Hundred. With a view to conserve resources your Company will not pay any dividend for the FY 2022-23.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES INCLUDING NUMBER OF PEOPLE EMPLOYED**

Only Four employees including CEO, CFO and CS are in the roll of the Company as on 31<sup>st</sup> March, 2023. CEO of the Company has voluntarily chose not to take any remuneration for the services rendered by her.

**KEY FINANCIAL RATIOS**

In accordance with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector-specific financial ratios.

The Company has identified the following ratios as key financial ratios:

Particulars	Financial Year	
	2022	2022
GNPA (%)	NIL	NIL
NNPA (%)	NIL	NIL
Return on Assets (%)	4.93	6.84
Return on Equity (%)	4.93	6.84
Net Interest Margin (%)	100	100
Debtors Turnover	NIL	NIL
Inventory Turnover	NIL	NIL
Interest Coverage Ratio	NIL	NIL
Current Ratio	2059.93	1870.10
Debt-Equity Ratio	0.00	0.00
Operating Profit Margin (%)	60.60	63.78
Net Profit Margin (%)	47.37	55.37
EPS	2.16	2.86
Price Earning Ratio	N.A.	N.A.

The details of Return on Net Worth is given below:

Particulars	Financial Year	
	2023	2022
Return on Net Worth (%)	4.89	6.48


Return on Net Worth is computed as net profit divided by average net worth. Net Profit has decreased from ₹38,640.60 Hundred in the previous year to ₹29,163.91 Hundred in the current year. The decrease in net profit for fiscal 2023 as compared to fiscal 2022 is primarily due to decrease in revenue from operations earned by the Company.

**CAUTIONARY STATEMENT**

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, estimates, expectations or predictions may be forward looking statements within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external factors beyond the control of the Company. Investors are cautioned that the Company assumes no responsibility to publicly amend, modify, revise or update any forward looking statement or opinion, on the basis of any subsequent developments, events or information.

Place : Kolkata  
Dated : 4<sup>th</sup> August, 2023

For and on behalf of the Board

  
(KISHAN GOPAL LOHIA) (VINITA BANGUR)  
DIN:00021344 DIN:01140985  
Directors



**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS OF M/S. KHERAPATI VANIJYA LIMITED**

**Report on Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statement of M/s **Kherapati Vanijya Limited**, which comprises the Balance Sheet as at 31<sup>st</sup> March, 2023, and the Statement of Profit / Loss account (Including Other Comprehensive Income), the statement of changes of Equity and the statement of Cash Flows for the year then ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the standalone 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 Companies 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 on 31<sup>st</sup> March 2022, the Profit/Loss, total Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We have conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of standalone financial statement under the provisions of Companies Act, 2013 and rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key Audit Matters are those matters that in our Professional Judgement 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. These matters were addressed in the context of Our Audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters.

**1) Classification and measurement of financial assets –**

**Business model assessment**

Ind AS 109, Financial Instruments, contains three principal measurement categories for financial assets i.e.:

- Amortised cost;
- Fair Value through Other Comprehensive Income ('FVOCI'); and
- Fair Value through Profit and Loss ('FVTPL').







A financial asset is classified into a measurement category at inception and is reclassified only in rare circumstances. The assessment as to how an asset should be classified is made on the basis of both the Group's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset.

The term 'business model' refers to the way in which the Group manages its financial assets in order to generate cash flows. That is, the Group's business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets or both.

Amortised cost classification and measurement category is met if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.

FVOCI classification and measurement category is met if the financial asset is held in a business model in which assets are managed both in order to collect contractual cash flows and for sale. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in other comprehensive income.

FVTPL classification and measurement category is met if the financial asset does not meet the criteria for classification and measurement at amortised cost or at FVOCI. Such financial assets are subsequently measured at fair value, with changes in fair value recognized in profit or loss.

**Key audit procedures included:**

**Design / controls**

- Assessing the design, implementation and operating effectiveness of key internal controls over management's intent of purchasing a financial asset and the approval mechanism for such stated intent and classification of such financial assets on the basis of management's intent (business model).
- For financial assets classified at amortised cost, we tested controls over the classification of such assets and subsequent measurement of assets at amortised cost. Further, we tested key internal controls over monitoring of such financial assets to check whether there have been any subsequent sales of financial assets classified at amortised cost.
- For financial assets classified at FVOCI, we tested controls over the classification of such assets and subsequent measurement of assets at fair value.

**2) Recognition and measurement of impairment of loans and advances involve significant management judgement**

With the applicability of Ind AS 109 credit loss assessment is now based on expected credit loss ('ECL') model. The Group's impairment allowance is derived from estimates including the historical default and loss ratios. Management exercises judgement in determining the quantum of loss based on a range of factors.

**The most significant areas are:**

- Segmentation of loan book
- Loan staging criteria
- Calculation of probability of default / Loss given default
- Consideration of probability weighted scenarios and forward looking macro-economic factors.





**Key audit procedures included:**

**Design / controls**

- Assessing the design and implementation of key internal financial controls over loan impairment process used to calculate the impairment charge.
- We used our modelling specialist to test the model methodology and reasonableness of assumptions used.
- Testing of management review controls over measurement of impairment allowances and disclosures in the consolidated financial statements.

**Substantive tests**

- We focused on appropriate application of accounting principles, validating completeness and accuracy of the data and reasonableness of assumptions used in the model.
- Appropriateness of management's judgments was also independently reconsidered in respect of calculation methodologies, segmentation, economic factors, the period of historical loss rates used, loss emergence periods and the valuation of recovery assets and collateral.

**Responsibility of Management and Those Charged with Governance 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 and financial performance, total comprehensive Income, changes in equity and cash flow 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 to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

**Auditor's Responsibility for the Audit of Financial Statement**

Our objectives are to obtain reasonable audit 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 is 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 be reasonably be expected to influence the economic decisions of the user taken on the basis of these financial statements. A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure A. This description forms part of our Audit Report

As a part of an audit in accordance with the 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 detecting a material misstatement resulting from fraud is higher than for one resulting from error, a fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control





- Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls systems 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 on the 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 the manner that achieves fair presentation.

We communicate with those charged with Governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in Internal Control that we identify during 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 the most significance in the Audit of the standalone 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, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure- A, 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 (including Other comprehensive Income), Statement of Changes of Equity and Statement of 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 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 31<sup>st</sup> March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to report on 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".

(g) With respect to the 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 explanation given to us, the Company has not paid any remuneration to any of the Director under provision 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, 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.
- iv.(a) The Management has represented, that to the best of their knowledge and belief no fund (which are material either individually or in aggregate) have been advances or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company, to or in any other person or entity, including foreign entity ("intermediaries") with the understanding whether recorded in writing or otherwise that the intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.

(b) The Management has represented, that to the best of their knowledge and belief no fund (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entities ("funding parties") with the understanding whether recorded in writing or otherwise that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party ("ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries.

(c). Based on the Audit procedures performed that have been considered reasonable or appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representation under Sub Clause (i) and (ii) of rule 11(e) as provided under (iv) and (v) above, contain material misstatement.

v. The Company has not declared any dividend during the Year.

Place: Kolkata  
Date: 30<sup>th</sup> May, 2023



For P D Randar and co.  
Chartered Accountants

**Shakti Ancharia**  
Partner  
Membership No. 301692  
Firm Registration No. 319295E  
UDIN 23301692BAX4HW6704



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

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of M/s Kherapati Vanijya Limited of even date)

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31<sup>st</sup> March 2023, we report that:

(To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- (i) In respect of Property Plant and Equipments
  - a. Company does not have any property plant and Equipments Therefore reporting under 3(i)(a) to 3(i)(f) is not applicable.
- (ii) In respect of Inventories
  - a. According to the information and explanation given to us and on the basis of our examination of the records of the Company does not have any inventory hence reporting under 3(ii) is not applicable.
- (iii) The Company has not provided any guarantee or security but has made investment in, and granted loans or advances in nature of loan, secured or unsecured to companies, firms, Limited Liability Partnerships, or other parties, during the year, in respect of which:
  - a. The Company is a Non-Banking Finance Company and Principal Business is to give Loans hence reporting under 3(a) of the report is not applicable.
  - b. In our opinion, the Investments made and the terms and conditions of the grant of loans or advances in nature of loan during the year are prima facie, not prejudicial to the Company's interest.
  - c. In respect of loans and advances in nature of loans granted by the Company terms and conditions do not stipulate any repayment schedule.
  - d. In respect of loans or advances in nature of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
  - e. No loan or advances in nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans or advances in nature of loan granted to settle the overdue of existing loans or advances in nature of loan given to the same parties
  - f. The Company has granted loans or advances in nature of loans, Unsecured, to companies, firms, Limited liability Partnerships or any other parties which are repayable on demand or are without specifying any terms or period of repayment and the details of such loans or advances in nature of loan are being furnished hereinafter.





**Loans repayable on demand or without specifying any terms or period of repayment**

Aggregate Loans or advances repayable on demand inclusive of Interest (Rs.)	% of total Loans or advances	Aggregate Loans granted to Promoters, related parties as defined in clause 2(76) of the Companies Act, 2013 – exclusive of Interest (Rs.)
3,30,00,000/-	100%	30,00,000/-

- (iv) The company is a Non-Banking Finance Company therefore provisions of Section 185 and 186 of the Companies Act 2013 is not applicable.
- (v) The company has not accepted any deposits or amounts which are deemed to be deposits. Accordingly, clause 3(v) of the Order is not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Accordingly, clause (vi) of the Order is not Applicable to 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 Goods and Services Tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited during the year by the Company with appropriate authorities.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues were in arrears as at 31<sup>st</sup> March, 2022 for a period of more than six months from the date they became payable.

Name of the statute	Nature of Dues	Amount	Period to which relates	Forum
Income Tax Act 1961	Income Tax	Rs. 208/-	A.Y 2009-10	CPC
Income Tax Act 1961	Income Tax AND Interest	Rs. 1210/- (Inclusive of Interest of Rs. 200/-)	A.Y 2020-21	CPC





- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) a. The Company has not defaulted in repayment of loans or other borrowings from any lender. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- b. The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c. The Company has not taken any term loan during the Year.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Act. The Company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31<sup>st</sup> March, 2022.
- f. According to the information and explanations given to us and procedures performed by us we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies (as defined under the Act). The Company does not hold any investment in any joint venture (as defined under the Act) during the year ended 31<sup>st</sup> March, 2022.
- (x) a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and Accordingly clause 3(x)(a) of the Order is not applicable to the Company.
- b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally). Accordingly, clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) a. Based on examination of the books and records of the Company and according to the information and explanations given to us considering the principles of materiality as outlined in the Standards on Auditing we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year
- c. The Company has not received the whistle blower complaints during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable to the Company.





- (xii) According to the information and explanations given to us the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, the provisions of Section 177 is applicable to the Company and according to the information and explanations given to us the transactions with related parties are in compliance with Section 188 of the Act where applicable and the details of the related part transactions have been disclosed in the financial statements are required by the applicable accounting standards.
- (xiv) a. In our opinion the Company has an internal audit system commensurate with the size and nature of its business.  
b. The report of Internal Auditor for the period under audit has been considered by us.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) a. The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.  
b. The Company has conducted Non- Banking Financial activities during the year.  
c. The Company is classified as Loan Company.  
d. According to the information and explanations provided to us during the course of audit the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions 2016) does not have any CIC.
- (xvii) The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. There has been changed in Auditorship of the company due to expiry of Tenure of Previous Auditor M/s J P Lakhota and Associates. No Objection has been raised by Outgoing Auditor.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to be believe that any material uncertainty exists as on the date of audit report indicating that Company is not capable of the meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one, year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.







- (xx) The provision of Corporate Social responsibility (CSR) is not applicable under the provision of section 135(6) of the Act. Accordingly, clause 3(xx) (a) and 3 (xx)(b) of the Order is not applicable to the Company.
- (xxi) The Company is not required to prepare consolidated financial statement under the provisions of the Act. Accordingly, clause 3(xxi) of the Order is not applicable to the Company.

Place: Kolkata  
Date: 30<sup>th</sup> May, 2023

For, P D Randar and co.  
Chartered Accountants



Shakti Ancharia

Shakti Ancharia  
Partner  
Membership No. 301692  
FRN 319295E  
UDIN 23301692 BUXHAW6704



**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **Kherapati Vanijya Limited** of even date)

**Report on the Internal Financial Controls Over Financial Reporting 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 **KHERAPATI VANIJYA LIMITED** ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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 the Institute of Chartered Accountants of India 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitation 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 to be detected. Also, projections of any evaluation of the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls system over financial reporting were operating effectively as on 31<sup>st</sup> March, 2023 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, P D Randar and co.  
Chartered Accountants

*Shakti Ancharia*

Shakti Ancharia  
Partner

Membership No. 301692

Firm Registration No. 319295E

UDIN 23301692B4XHHW6704



Place: Kolkata

Date: 30<sup>th</sup> May, 2023

**KHERAPATI VANIJYA LIMITED****BALANCE SHEET AS ON 31st MARCH, 2023**

(₹ in Hundreds)

PARTICULARS	Note No.	As at March 31, 2023		As at March 31, 2022
<b>ASSETS</b>				
(1) Financial Assets				
(a) Cash and Cash Equivalents	1	1,01,762.37		2,134.55
(b) Bank Balance other than above				
(c) Derivative financial instruments				
(d) Receivables				
(I) Trade Receivables				
(II) Other Receivables				
(e) Loan	2	2,53,425.03		5,39,786.00
(f) Investments	3	2,16,000.00		3,000.00
(g) Other Financial Assets	4	30.00		30.00
			5,71,217.40	5,44,950.55
(2) Non-Financial Assets				
(b) Current tax asstes(Net)	5		20,042.42	21,414.87
<b>TOTAL ASSETS :</b>			<b>5,91,259.82</b>	<b>5,66,365.42</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>1. Financial Liabilities</b>				
(a) Other Financial Liabilities	6		277.30	277.30
<b>2. Non Financial Liabilities</b>				
(a) Current Tax Liabilities (Net)	7		20,375.62	22,600.00
(b) Provisions	8		1,012.37	3,057.28
<b>Total Liabilities</b>			<b>21,665.29</b>	<b>25,934.58</b>
<b>EQUITY</b>				
(a) Equity Share Capital	9	1,35,000.00		1,35,000.00
(b) Other Equity	10	4,34,594.52		4,05,430.61
<b>TOTAL EQUITY</b>			<b>5,69,594.52</b>	<b>5,40,430.61</b>
<b>TOTAL LIABILITY AND EQUITY:</b>			<b>5,91,259.82</b>	<b>5,66,365.19</b>
The accompanying notes are in integral part of the financial statements				

For and on behalf of the Board

As per our report of even date  
For P D Randar and Co.  
Chartered Accountants

*Lakshmi*

**Shakti Ancharia**  
Partner

Membership No. 301692

Firm Registration No. 319295E

UDIN :- 23301692BGXHHW6704

Place : Kolkata

Date : 30th May, 2023



*Balbir*  
**Sri Kishan Gopal Lohia**  
DIN: 00021344  
CEO & Director

*Vinita Bangur*  
**Smt. Vinita Bangur**  
DIN : 01140985  
(Director)

*Sri Manish Kumar Bihani*  
**Sri Manish Kumar Bihani**  
DIN: 00914698  
(Director)

*Sri Ajit Kumar Jha*  
**Sri Ajit Kumar Jha**  
CFO

*Sheela Mundhra*  
**Sheela Mundhra**  
Company Secretary

**KHERAPATI VANIJYA LIMITED****IND AS STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023**

(₹ in Hundreds)

PARTICULARS		Note No.	FOR THE YEAR ENDED MARCH 31, 2023	FOR THE YEAR ENDED MARCH 31, 2022
<b>I</b>	<b>Revenue from operations</b>	<b>11</b>		
	(1) Interest Income		59,481.51	69,979.54
	(2) Profit On Sale of Investments		2,081.94	
	<b>Total Income (I)</b>		<b>61,563.45</b>	<b>69,979.54</b>
<b>II</b>	<b>Expenses</b>			
	Employee benefits expense	12	22,693.08	21,019.60
	Provisions for Standard Assets		(2,044.91)	503.00
	Other Expense	13	3,604.88	3,933.34
	<b>Total EXPENSES (II)</b>		<b>24,253.05</b>	<b>25,455.94</b>
<b>III</b>	<b>Profit before tax (I- II)</b>		<b>37,310.40</b>	<b>44,523.60</b>
<b>IV</b>	<b>Tax expense:</b>			
	Current tax		8,875.62	11,500.00
	Current tax expense relating to prior period		(729.13)	(5,617.00)
<b>V</b>	<b>Net Profit/(Loss) for the year (III-IV)</b>		<b>29,163.91</b>	<b>38,640.60</b>
<b>VI</b>	<b>Other Comprehensive Income</b>			
	(i) Items that will not be reclassified subsequently to profit or loss		-	-
	(ii) Items that will be reclassified subsequently to profit or loss		-	-
	Other Comprehensive Income for the year (i)+(ii)		-	-
	<b>Total Comprehensive Income for the Year (V) + (VI)</b>		<b>29,163.91</b>	<b>38,640.60</b>
<b>VI</b>	<b>Earnings per equity share:</b>	<b>14</b>		
	(1) Basic		2.16	2.86
	(2) Diluted		2.16	2.86
	The accompanying notes are integral part of financial statements			

For and on behalf of the Board

As per our report of even date  
For P D Randar and Co.  
Chartered Accountants

*Shakti Ancharia*

**Shakti Ancharia**  
Partner

Membership No. 301692  
Firm Registration No. 319295E  
UDIN : 23301692BGXHHW6704  
Place : Kolkata  
Date : 30th May, 2023



*B. Lohia*  
**Sri Kishan Gopal Lohia**  
DIN: 00021344  
CEO & Director

*Sri Manish Kumar Bihari*  
**Sri Manish Kumar Bihari**  
DIN: 00914698  
(Director)

*Vinita Bangur*  
**Smt. Vinita Bangur**  
DIN : 01140985  
(Director)

*Ajit Kumar Jha*  
**Sri Ajit Kumar Jha**  
CFO

*Sneha Muzdhra*  
**Sneha Muzdhra**  
Company Secretary

**KHERAPATI VANIJYA LIMITED**

Cash Flow Statement for the year ended 31st March,2023

(₹ in Hundreds)

Particulars	2022-23		2021-22	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit Before Tax		37,310		44,324
Adjustments for:				
Profit on sale of Investments	-2,082		-535	
Provision for Standard Assets	-2,045		503	
		-4,127		-33
<b>Operating Profit before Working Capital Changes</b>		33,184		44,492
Adjustments for:				
Increase/(Decrease) in Other Current Liabilities	-		74	
(Increase)/ Decrease in Short Term Loans and Advances	2,86,361		98,799	
Increase/(Decrease) in Payables	-	2,86,361	-	98,873
<b>Cash generated from operations</b>		3,19,545		1,43,365
Income Tax paid		10,371		(1,217)
<b>Net Cash flow from Operating activities</b>		3,09,174		1,44,582
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale of Investments		-2,10,918		10,731.00
<b>Net Cash used in Investing activities</b>		-2,10,918		10,731.00
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
Redemption of Preference Share				-150000
Increase in Current Tax Assets		1,372		-6,404
<b>Net Cash used in financing activities</b>		1,372		-1,56,404
Net increase in cash & Cash Equivalents		99,628		(1,092)
Opening Cash and Cash equivalents		2,134		3,227
Closing Cash and Cash equivalents		1,01,762		2,134
<b>Statement of Cash and Cash Equivalents.</b>				
Cash in Hand	159		447	
Balance at Bank	1,01,603	1,01,762	1,688	2,135

As per our report of even Date  
for P D Randar and co.  
Chartered Accountants

**Shakti Ancharia**  
Partner

Firm Registration No. 319295E  
U D I N : 23301692BGXHHW6704  
PLACE : KOLKATA  
Dated : 30th May, 2023



*Bhaktia*  
Sri Krishna Tapal Laha  
DIN: 0021344  
CEO & Director

*Vinita Bangur*  
Smt. Vinita Bangur  
DIN : 01140985  
(Director)

*Ajit Kumar Jha*  
Sri Manoj Kumar Bhatnagar  
DIN: 00114095  
(Director)

*Ajit Kumar Jha*  
Sri Ajit Kumar Jha  
CFO

*Sneha Mundhra*  
Sneha Mundhra  
Company Secretary



**PAPER EQUITY**

12 Months reporting period

**Reserve and Surplus**

	Share up money pending allotment	Equity component of compound interest	Capital reserve	Securities Premium Reserve	General Reserve	Special Reserve as per RBI Guidelines	Retained Earnings	Debt instruments through other comprehensive income	Equity Instruments through other comprehensive income	Effective Portion of Cash Flow Hedges	Revaluation surplus	Exchange differences on translating the financial	Other Comprehensive Income	Amount in Rupee
Balance at the beginning of the reporting period (i.e. 1st April 2021)					5,73,000	51,184	1,41,790							3,66,790
Changes in Accounting policy/ prior period errors														
Restated balance at the beginning of the current reporting period														
Total Comprehensive Income for the year														
Dividends														
Dividends retained														
Surplus in the statement of profit and loss			1,50,000		3,40,000	0,000	(19,000)							
Balance at the end of the reporting period (i.e. 31st March 2022)			1,50,000		3,18,000	51,184	62,790							4,05,431





NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31<sup>st</sup> March, 2023 AND PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON THAT DATE

---

**A. CORPORATE INFORMATION**

Kherapati Vanijya Limited is a Non- Banking Financial Company incorporated on 21<sup>st</sup> May 1982 under the Companies Act, 1956. The Company is listed in the Calcutta Stock Exchange Limited.

**B. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting**

The financial statements of the company have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with accounting standards specified under section 133 of the Companies Act, 2013 and the relevant provisions of the Companies Act, 2013 as applicable.

**2. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. In addition, the following criteria must also be met before revenue is recognized:

- Interest and other dues are accounted on accrual basis except in the case of non-performing loans where it is recognized upon realization, as per the income recognition and asset classification norms prescribed by the RBI.

**3. Use of Estimates**

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent Liabilities) and the reported income and expenses during the year. The management believes that the estimates used in the preparation of financial statements are prudent and reasonable. Future results could differ due to these estimates and the difference between the actual results and estimates are recognized in the years in which the results are known and materialized.

**4. Investments**

Non-Current Investment are valued at cost.

**5. Employment Benefits**

Leave salary is accounted for on the basis of leave due to employees at the end of the year. No provisions for leave salary is made as there is no credit of leave to the employees.

**Termination Benefits**

Termination Benefits like gratuity etc has not been provided in the account in respect of employee.

**6. Taxes on Income**

- a) Current tax is the amount payable on the taxable income for the year determined in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred tax is recognized on timing differences; being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.





**KHERAPATI VANIYA LIMITED**  
**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2012**

(₹ in thousands)

Particulars	AS AT 31-03-2012	AS AT 31-03-2011
<b>NOTE : 1 : CASH AND CASH EQUIVALENTS</b>		
Cash on Hand	199	446.53
Balances with Bank	1,09,683	1,688.02
-In Current Accounts	1,01,782	1,434.31
<b>Total Cash and Cash Equivalents</b>		

	31.03.2012				31.03.2011						
	Amortised Cost	Through Other Comprehensive Income	Through profit or loss	Total	Sub-total	Total	Amortised Cost	Through other Comprehensive Income	Through profit or loss	Sub-total	Total
	(A)	(B)	(C)	(A + B + C)	(D = B + C + 4)	(A + B + C)	(E)	(F)	(G = F + H)	(I = G + H + 10)	(J = I + 11)
<b>(A) Loans</b>											
(i) Bills Purchased and Bills Discounted											
(ii) Loans repayable on Demand											
(iii) Term Loans											
(iv) Leasing											
(v) Factoring											
(vi) Others											
Total (A) - Gross	2,53,425			2,53,425		2,53,425	1,78,752			1,78,752	
Less: Impairment loss allowances	2,53,425			2,53,425		2,53,425					
Total (A) - Net											
(B)(i) Secured by tangible assets											
(ii) Secured by intangible assets											
(iii) Secured by Bank Guarantee/Overseas Bank Letter of Credit/Commitment Certificate											
(iv) Unsecured											
Total (B) - Gross	2,53,425			2,53,425		2,53,425	2,29,786			2,29,786	
Less: Impairment loss allowances	2,53,425			2,53,425		2,53,425	2,29,786			2,29,786	
Total (B) - Net											
(C)(i) Loans to Staff											
(ii) Public Sector											
(iii) Business Corporate	1,98,278			1,98,278		1,98,278	5,29,786			5,29,786	
(iv) Individual and JRF	65,140			65,140		65,140	5,29,786			5,29,786	
Total (C) - Gross	2,63,418			2,63,418		2,63,418	5,29,786			5,29,786	
Less: Impairment loss Allowance											
Total (C) - Net	2,63,418			2,63,418		2,63,418	5,29,786			5,29,786	
(D)(i) Loans outside India											
Less: Impairment loss Allowance											
Total (D) - Net											
Total (A) + (B) + (C) + (D)	2,53,425			2,53,425		2,53,425	6,29,786			6,29,786	
The Classification of Loans under the RBI guidelines as under:											
(i) Standard Assets				2,53,425		2,53,425				2,53,425	
(ii) Sub-standard Assets											
(iii) Doubtful assets											
(iv) Loss Assets											





KHEERAPATI VANIYA LIMITED - NOTES FORMING PART OF ACCOUNTS AS ON 31st MARCH 2023					
(₹ in Hundreds)					
NOTE : 4: OTHER FINANCIAL ASSETS		AS AT 31-03-2023		AS AT 31-03-2022	
		Non-Current Portion	Current Portion	Non-Current Portion	Current Portion
Security Deposits with BSNL		30.00		30.00	
		30.00		30.00	
NOTE : 5: OTHER NON-FINANCIAL ASSETS		Non-Current Portion	Current Portion	Non-Current Portion	Current Portion
Advance Income Tax			8,843.40		10,510.00
Tax Deducted at Source			11,199.02		10,904.87
			20,042.42		21,414.87
Particulars		AS AT 31-03-2023		AS AT 31-03-2022	
NOTE : 6   OTHER FINANCIAL LIABILITIES					
Audit Fees Payable			277.30		277.30
Total Other Financial Liabilities			277.30		277.30
NOTE : 7 : CURRENT TAX LIABILITIES					
Provision for Income Tax			20,375.62		22,600.00
Total Current Tax Liabilities			20,375.62		22,600.00
NOTE : 8 : MOVEMENT IN PROVISIONS					
Provision for Standard Assets					
Balance as at 1st April 2021				2,554.34	
Provision Utilised				-	
Provision Reversed				-	
Provision Created				502.94	
Balance as at 31st March ,2022				3,057.28	
Provision Utilised				-	
Provision Reversed				-	
Provision Created				(2,044.91)	
Balance as at 31st March ,2023				1,012.37	
		AS AT 31-03-2023 (₹ in Hundreds)		AS AT 31-03-2022 (₹ in Hundreds)	
NOTE : 9 : SHARE CAPITAL		Number	Amount	Number	Amount
The reconciliation of Equity Shares outstanding at the beginning of the year and end of the year					
Authorised:-					
Equity Shares of Rs. 10/- each		15,00,000	1,50,000.00	15,00,000	1,50,000.00
0 50% Non-Cumulative Redeemable					
Preference Shares of Rs.100/- each		1,50,000	1,50,000.00	1,50,000	1,50,000.00
			3,00,000.00		3,00,000.00
Issued, Subscribed and Fully Paid up					
Equity Shares of Rs 10/- each		13,50,000	1,35,000.00	13,50,000	1,35,000.00
0 50% Non-Cumulative Redeemable Preference Shares of Rs 100/- each				1,50,000	1,50,000.00
Terms/Rights attached to Equity Shares					
The Ordinary Shares of the Company , having Par Value of Rs. 10/- per shares , rank Pari Passu in all respects including Voting Rights and entitlement of Dividend					
The company has not issued any securities convertible into equity preference shares during the year under review					
Total Issued, Subscribed, and Fully Paid -Up Share Capital			1,35,000		1,35,000
(a) The Details of Shareholders holding more than 5% shares:					
Name of the Shareholder :	No. of Shares	% Held	No. of Shares	% Held	
Sh Purushottam Dass Bangur	2,41,200	17.87	2,41,200	17.87	
Gopal Das Bangur (HUF)	1,87,750	13.91	1,87,750	13.91	
Smt. Pushpa Devi Bangur	1,81,500	13.44	1,81,500	13.44	
Purushottam Dass Bangur (HUF)	1,35,000	10.00	1,35,000	10.00	
Sh Hemant Bangur	92,000	6.81	92,000	6.81	
Smt. Vinay Bangur	80,000	5.93	80,000	5.93	
Credwyn Holdings (India) Pvt Ltd	85,350	6.32	85,350	6.32	
Carwin Trading (P) Ltd	2,69,000	19.93	2,69,000	19.93	



**KHERAPATI VANIYA LIMITED // NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2023 (₹ in Hundred)**

**(b) Reconciliation of the Number of Shares and Amount Outstanding at the Beginning and at the End of the Year**

**Equity shares**

As at 1st April 2022  
Issued During the Year  
As at 31st March 2023

	Number	Amount
As at 1st April 2022	13,50,000	1,35,000.00
Issued During the Year	-	-
As at 31st March 2023	13,50,000	1,35,000.00

**Preference shares**

As at 1st April 2022  
Issued During the Year  
Less Redemption During The Year  
As at 31st March 2023

As at 1st April 2022	-	-
Issued During the Year	-	-
Less Redemption During The Year	-	-
As at 31st March 2023	-	-

(C) The Company has only one class of shares i.e equity shares having par Value of Rs. 10/- and redeemed preference share during the Year. Each holder of equity shares is entitled to one vote per share held and dividend is in proportion to share held. In the event of Liquidation, an equity shareholders are eligible to receive the remaining assets of the company after payment of all preferential amounts in proportion to their shareholding.

(D) The company has not reserved any shares for issue under options and contract

(E) The Company during the preceding 5 Years -  
has not allotted shares pursuant to contracts without payment received in cash  
has not allotted shares as fully paid up by way of bonus shares  
has not bought back any shares

(F) The Company has not converted any securities into equity shares/preference shares during the above financial years.

(G) There are no calls unpaid including by directors/officers of the company.

(H) The Company has not forfeited any shares during the Financial Years.

**(I) Shares Held by Promoters at the End of the Year**

Promoter Name	No. of Shares	% of Total Shares	% of Change during the Year
(1) Sri Parashuram Das Bangur	2,41,200	17.87	-
(2) Gopal Das Bangur (HUF)	1,87,750	13.91	-
(3) Smt. Pushpa Das Bangur	1,81,500	13.44	-
(4) Parashuram Das Bangur (HUF)	1,35,000	10.00	-
(5) Sri Harman Bangur	92,000	6.81	-
(6) Smt. Vinata Bangur	80,000	5.93	-
(7) Credwyn Holdings (India) Pvt. Ltd	85,350	6.32	-

**NOTE : 10 : OTHER EQUITY**

**(a) Statutory Reserve as per 45-IC**

Opening Balance	70,184.22	62,184.22
Add Transfer from Retained Earnings	7,400.00	8,000.00
Closing Balance	<b>77,584.22</b>	70,184.22

**(b) General Reserve**

Opening Balance	32,856.40	1,72,856.40
Add Addition made during the Year	10,000.00	10,000.00
Less Capital Redemption Reserve	-	1,50,000.00
Closing Balance	<b>42,856.40</b>	32,856.40

**(c) Capital Redemption Reserve**

Closing Balance	<b>1,50,000.00</b>	1,50,000.00
-----------------	--------------------	-------------

**(d) Profit and Loss Account/ Retained Earnings**

Opening Balance	1,52,389.99	1,31,749.39
Add Surplus in the Statement of Profit and Loss	29,163.91	38,640.60
Less	1,81,553.90	1,70,389.99
Transfer to Statutory Reserve	7,400.00	8,000.00
Transfer to General Reserve	10,000.00	10,000.00
Transfer to Provision for Non Performing Asset	-	-
Closing Balance	<b>1,64,153.90</b>	1,52,389.99

**Total Other Equity**

	<b>4,34,594.52</b>	4,05,430.61
--	--------------------	-------------



**KHERAPATI VANSIYA LIMITED - NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2023 (₹ in Hundred)**

**Statutory Reserve**

Statutory Reserve represents the Reserve Fund created Under Section 45-1C of the Reserve Bank Of India Act, 1934. Accordingly an amount representing 20% of Profit for the Period is transferred to the fund for the Year.

**General Reserve**

This Reserve is created by an appropriation from on component of equity (generally Profit & Loss /Retained Earnings) to another, not being on item of other comprehensive Income. The same can be utilised in accordance with the Provisions of the Companies Act, 2013.

**Profit & Loss / Retained Earnings**

This Reserve represents the cumulative profit of the Company. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Capital Redemption Reserve ( Capital Statutory Reserve)**

This Reserve represents the Reserve Fund created Under Section 69 of the companies Act, 2013. Accordingly an amount equal to the nominal value of the Preference Share redeemed capital is transferred to the fund. The Same can be utilised in accordance with the Provisions of the Companies Act, 2013.

	For The Year Ended 31 March 2023	For The Year Ended March 31, 2022
<b>NOTE : 11 : REVENUE FROM OPERATIONS</b>		
Interest Income	59,481.51	69,305.36
Interest on Income Tax refund	-	139.25
Profit on Sale of Investments	2,081.94	534.93
	<b>61,563.45</b>	<b>69,979.54</b>
<b>NOTE : 12 : EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and Allowances	22,693.08	21,019.60
<b>TOTAL</b>	<b>22,693.08</b>	<b>21,019.60</b>
<b>NOTE : 13 : OTHER EXPENSES</b>		
<b>(a) Other Administrative Expenses:</b>		
Advertisement	90.00	22.50
Bank charges	6.49	12.98
CDSL Charges	65.00	49.00
Computer Maintenance	89.90	65.70
Conveyance Charges	415.58	309.35
Electricity Expenses	-	-
Filing Fees	60.00	54.00
General Expenses	282.26	373.65
GST Expenses	159.84	179.05
E-Voting Charges	-	63.40
Listing Fees	400.00	500.00
NSDL Charges	100.00	150.00
Postage & Stamps	27.50	28.33
Printing & Stationery	166.74	122.60
Professional Fees	247.50	416.00
Professional Tax	25.00	25.00
Rates & Taxes	21.50	21.50
Share Transfer Registrar Charges	200.00	150.00
Telephone Charges	165.46	118.59
Travelling Expenses	675.11	904.89
Website Maintenance Charges	129.70	89.50
<b>(b) Payment to Statutory Auditor</b>		
Auditor's Remuneration	277.30	277.30
<b>TOTAL</b>	<b>3,604.88</b>	<b>3,913.34</b>
<b>NOTE:14: EARNING PER SHARE</b>		
	2022-2023	2021-2022
(i) Net Profit after tax as per statement of Profit and Loss attributable to Equity shareholders	29,16,391.00	38,640.60
(ii) Weighted Average number of equity shares used as denominator for calculating EPS	13,50,000	13,50,000
(iii) Earning Per share		
Basic	2.16	2.86
Diluted	2.16	2.86
(iv) Face Value per Equity share (Rs.)	RS. 10/-	RS. 10/-



**KHERAPATI VANIYA LIMITED // NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2023 (₹ in Hundreds)**

**NOTE : 15 RELATED PARTY DISCLOSURE**

As per Ind AS - 24, the disclosure of transaction with related parties are given below:-

Name of the related Party	Relationship	31 March 2023	31 March 2022
<b>Closing Balance</b>			
Bombay Agency Company (P) Ltd	Group Company	55,400.00	57,611.78
Shri Vasuprada Plantations Ltd. (Formerly- Joonktolee Tea & Industries Ltd.)	Group Company	-	3,61,034.01
Madhav Trading Corporation Limited	Group Company	-	34,875.00
<b>Interest Received</b>			
Madhav Trading Corporation Ltd	Group Company	59.00	972.49
Bombay Agency Company (P) Ltd	Group Company	6,000.00	8,457.53
Shri Vasuprada Plantations Ltd. (Formerly- Joonktolee Tea & Industries Ltd.)	Group Company	39,390.00	36,322.86
<b>Loans Given</b>			
Shri Vasuprada Plantations Ltd. (Formerly- Joonktolee Tea & Industries Ltd.)	Group Company	30,000.00	2,43,000.00
Madhav Trading Corporation Ltd	Group Company	-	34,000.00
<b>Repayment of Loan</b>			
Madhav Trading Corporation Ltd	Group Company	34,000.00	-
The Bombay Agency (P) Ltd	Group Company	-	34,283.00
Shri Vasuprada Plantations Ltd. (Formerly- Joonktolee Tea & Industries Ltd.)	Group Company	3,83,000.00	3,87,247.00
<b>Investment in Debt</b>			
Shri Vasuprada Plantations Ltd. (Formerly- Joonktolee Tea & Industries Ltd.)	Group Company	1,50,000.00	-
<b>Redemption of Preference Shares (During the Year)</b>			
Pushpa Devi Bangur	KMP	-	83,000.00
Heman Bangur	Relative of KMP	-	25,000.00
Gopal Das Bangur HUF	Group Entity	-	17,000.00
Purushottam Dass Bangur HUF	Group Entity	-	25,000.00
<b>Salary</b>			
Pushpa Devi Bangur	Chief Executive Officer	-	-
Ajeet Kumar Jha	Chief Financial Officer	10,384.00	9,504.00
Sneha Mundhra	Company Secretary	1,440.00	1,440.00

Note: Related Party Transactions, if any, are in the Ordinary course of Business and on arm's length basis

	For The Year Ended 31/03/2023	For The Year Ended 31/03/2022
<b>NOTE : 16</b>		
Contingent Liabilities not provided for :-	Nil	Nil
<b>Note: 17</b>		
Commitments	Nil	Nil
<b>Note: 18</b>		
Dividend proposed to be distributed to:-		
(a) Equity Shareholders	Nil	Nil
(b) Preference Shareholders Shares	Nil	Nil
(c) Arrears of Divid (cumulative dividends on Preference Shares)	Nil	Nil
<b>Note: 19</b>		
a) Dividends from Subsidiary Companies	N/A	N/A
b) Provisions For losses of Subsidiary Companies	N/A	N/A
Note 20 Capital Work in Progress	Nil	Nil
Note 21 Intangible Assets under Development	Nil	Nil

**Note: 22**  
Loans and Advances to Related Parties that are repayable on demand

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters				
Directors				
KMPs				
Related Parties	55,400.00	0.22%	4,53,321.00	84.02%

**NOTE : 23**  
Earning in Foreign Exchange : Nil

**NOTE : 24**  
Expenditure in Foreign Currency : Nil

**Note : 25**  
The Company has only one line of business i.e. Non banking Financial Activities. There are no separate reportable segments as per Ind AS 108

**Note : 26**  
Employee Benefits: The Company has not accounted for gratuity and other Long Term and Short Term retirement benefits payable to the employees





**Note: 27**

Disclosure required under Section 22 of the Micro Small and Medium Enterprises Development Act, 2006. The Company is in the process of identifying the Micro Small and Medium Enterprises Development Act, 2006. In this process has given notice to all its payables to inform whether any of them are registered under the said Act. The Company has not yet received any information about such registrations. Such information will be provided as and when confirmation is received from them.

**Note : 28 Additional Regulatory Information :-**

**(i) Title deeds of immovable properties not held in the name of the company**

The company does not have any immovable property hence the question of title deed does not arise

**(ii) Capital-Work-in Progress (CWIP)**

Not Applicable

**(iii) Intangible assets under development**

The company does not have any intangible assets

**(iv) Details of Benami Property held**

The company does not have any Benami Property

**(v) Willful Defaulter and end use of Funds**

The Company has not been declared wilful defaulter by any of the Regulatory authority

**(vi) Relationship with Struck off Companies**

The company does not have any transaction with struck off companies

**(vii) Registration of charges or satisfaction with Registrar of Companies (ROC)**

The company has not created any charge on its assets

**(viii) Compliance with number of layers of companies**

The Company does not have any layers as prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of layers) Rules, 2017

**(ix) Following Ratios shall be disclosed**

**(a) Capital to risk-weighted assets ratio (CRAR)**

**(b) Tier I CRAR**

**(c) Tier II CRAR**

**(d) Liquidity Coverage Ratio \***

**(e) Solvency (Ratios) undisclosed Income CSR**

	Numerator	Denominator	Current Period	Previous Period	% Variance
(a) Capital to risk-weighted assets ratio (CRAR)	1,35,00,000	4,69,43,903	28.76	28.87	-1.89
(b) Tier I CRAR	3,01,99,452	4,69,43,903	64.33	28.83	113.79
(c) Tier II CRAR	1,01,237	4,69,43,903	0.22	0.54	-43.32
(d) Liquidity Coverage Ratio *	1,64,76,237	27,730	59,416.65	143.96	89,270.69

\*Variance in excess of 25% is due to increase in Bank Balances and Investments in Mutual Fund Units

**(x) Compliance With approved Scheme(s) of Arrangements**

The company has not entered into any scheme in terms of sections 230 to 237 of the Companies Act, 2013

**(xi) Utilisation of Borrowed funds and share premium**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries), or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries), or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**(xii) Crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current financial year

**(xiii) Revaluation of Assets**

The Company does not have any Property, Plant and Equipment. Therefore, revaluation of assets is not required

**(xiv) Undisclosed Income**

The Company has not entered into any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income

**(xv) Corporate Social Responsibility**

The Company is not covered under Section 135 of the Companies Act, 2013 and the Rules framed thereunder.

**Note: 29:** Previous years figures have been regrouped/rearranged wherever necessary. All amounts are converted into Indian Hundred Rupees whereas unit of measurement are in absolute figures. Further, approximation is due to decimal.

**Note: 30:** Particulars required under Para 18 of the Master Direction Non-Banking Financial Company -Non-Systemically Important Non - Deposit Taking Company (Reserve Bank) Directions, 2016 are given in the annexure appended hereto

**Note 31:-** The MCA Vide notification dated 24/03/2021 has amended Schedule III of the Companies Act, 2013 in respect of Certain disclosures which are applicable from 01/04/2021. The Company has incorporated changes as per the said amendment in the above statements and also changes comparative numbers whereapplicable.

As per our report of even date  
For PD Randar and Co.  
Chartered Accountants

*L. K. K.*  
Shaileti Ancharia  
Partner  
Membership No. 301692  
Firm Registration No. 319295E  
Place : Kolkata  
Date : 30th May, 2023



For and on behalf of the Board

*B. Lohar*  
Sri Kaban Gopal Lohar  
DIN: 00021344  
CEO & Director

*S. Manish Kumar Bhatnagar*  
Sri Manish Kumar Bhatnagar  
DIN: 00914698  
(Director)

*Vinita Bangur*  
Smt. Vinita Bangur  
DIN : 01140985  
(Director)

*Ajit Kumar Jha*  
Sri Ajit Kumar Jha  
CFO

*Sneha Mundhra*  
Sneha Mundhra  
Company Secretary

**KHERAPATI VANIJYA LIMITED**

**ANNEXURE (Referred to in Note 30 of the Financial Statements)**

**SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY**

(Rs. in Hundred)

Particulars		Amount	
		Amount Outstanding	Amount Overdue
<b>Liabilities Side :</b>			
(1)	loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid		
a)	Debentures :		
	Secured	NIL	NIL
	Unsecured (More than falling within the meaning of Public Deposit)	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 (Specify nature)	NIL	NIL
<b>Assets Side :</b>			
(2)	<b>Break-up of Loans and Advances including Bills receivables [other than those included in (4) below] :</b>		
a)	Secured	NIL	
b)	Unsecured (Net of Provisions)	2,53,425.03	
(3)	<b>Break-up of Leased Assets and stock on hire and hypothecation loans Counting towards EL/HP activities</b>		
i)	Lease assets including lease rentals under Sunday debtors :		
a)	Financial Lease	NIL	
a)	Operating Lease	NIL	
ii)	Stock on hire including hire charges under Sundry Debtors :		
a)	Assets on hire	NIL	
b)	Repossessed Assets	NIL	
iii)	Hypothecation loans counting towards EL/HP activities :		
a)	Loans where assets have been repossessed	NIL	
b)	Loans other than (a) above	NIL	
(4)	<b>Break-up of Investments :</b>		
	Current Investments :		
1.	<b>Quoted :</b>		
(i)	Shares : (a) Equity		
	(b) Preference		
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual Funds	NIL	
(iv)	Government Securities	NIL	
(v)	Other (please specify)	NIL	
2.	<b>Unquoted :</b>		
	Shares: (a) Equity	NIL	
	(b) Preference	NIL	
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual Funds	NIL	
(iv)	Government Securities	NIL	
(v)	Other (please specify)	NIL	
	<b>Long Term Investment :</b>		
1.	<b>Quoted :</b>		
(i)	Shares : (a) Equity		
	(b) Preference		
(ii)	Debentures and Bonds	NIL	
(iii)	Units of mutual Funds	NIL	
(iv)	Government Securities	NIL	
(v)	Other (please specify)	NIL	



**KHERAPATI VANIJYA LIMITED**

<b>2. Unquoted :</b> Shares : (a) Equity (b) Preference (ii) Debentures and Bonds (iii) Units of mutual Funds (iv) Government Securities (v) Other (please specify)	3000.00 NIL NIL NIL NIL NIL		
<b>(5) Borrower group-wise classification of all leased assets, Stock-on-hire and Loans and Advances</b> Category	<b>Amount Net of Provisions</b>		
	<b>Secured</b>		<b>Unsecured</b>
	<b>Secured</b>		<b>Total</b>
Related Parties			
a) Subsidiaries	NIL	NIL	NIL
b) Companies in the same group	NIL	0.00	0.00
c) Other related parties	NIL	55400	55400
2 . Other than related parties	NIL	2475522	2475522
<b>Total :</b>			2475522.00
<b>(6) Investor group-wise classification of all investments (Current and Long Term) in shares and Securities (both quoted and unquoted)</b>			
Category	Market Value/ Break up or Fair value or NAV		Book Value(Net of Provisions)
1 Related Parties			
a) Subsidiaries	NIL		NIL
b) Companies in the same group	NIL		NIL
c) Other related parties	NIL		NIL
2 Other than related parties	3000.00		3000.00
<b>Total :</b>	3000.00		3000.00
<b>(7) Other Information</b>			<b>Amount</b>
Particulars			2530922
(i) Gross Non-Banking Assets			55400
a) Related Parties			2475522
b) Other than related parties			NIL
(ii) Net Non-Performing Assets			NIL
a) Related Parties			NIL
b) Other than related parties			NIL
(iii) Assets acquired in satisfaction of Debt			NIL
<b>Notes :</b>			
1	Investments in unquoted shares (Balance Sheet as at 31st March, 2023 not received) has		
	been shown at their book Value.		





We have examined the books of accounts and other records of M/s Kherapati Vanijya Ltd CIN L51109WB1982PLC034908. for the Financial Year ending March 31, 2023. On the basis of the information submitted to us, we certify the following:

Sl.	Particulars	Details
1	Name of the company	KHERAPATI VANIJYA LTD
2	Certificate of Registration No.	05-00621 Dated 04/03/1998
3	Registered office Address	21-STRAND ROAD,GROUND FLOOR KOLKATA WB 700001 IN
4	Corporate office Address	21-STRAND ROAD,GROUND FLOOR KOLKATA WB 700001 IN
5	The company has been classified by RBI as : (Investment Company / Loan Company / AFC / NBFC-MFI / NBFC- Factor / IFC / IDF- NBFC)	NBFC (LOAN COMPANY)
6	Net Owned Fund (in ` Crore) (Calculation of the same is given in the Annex I )	4 1815
7	Total Assets (in ` Crore)	5 9126
8	Asset-Income pattern: (in terms of RBI Press Release 1998- 99/1269 dated April 8, 1999) a) % of Financial Assets to Total Assets b) % of Financial Income to Gross Income (NBFC-Factor / NBFC-MFI / AFC / IFC may also report separately below) (Calculation of the same is given in the Annex II)	a) % of Financial Assets to Total Assets - 79.39% b) % of Financial Income to Gross Income - 100%
9	Whether the company was holding any Public Deposits, as on March 31, 2023 If Yes, the amount in Crore	No
10	Has the company transferred a sum not less than 20% of its Net Profit for the year to Reserve Fund? (in terms of Sec 43-B of the RBI Act, 1934 )	Yes Rs. 7,40,000/-
11	Has the company received any FDI? If Yes, did the company comply with the minimum capitalization norms for the FDI?	
12	If the company is classified as an NBFC- Factor, a) % of Factoring Assets to Total Assets b) % of Factoring Income to Gross Income	N.A
13	If the company is classified as an NBFC- MFI: % of Qualifying Assets to Net Assets (refer to Notification DNBS.PD.No.234 CGM (US)2011 dated December 02, 2011 )	N.A



14	If the company is classified as an AFC; a) % of Advances given for creation of physical / real assets supporting economic activity to Total Assets b) % of income generated out of these assets to Total Income	N A
15	If the company is classified as an NBFC- IFC % of Infrastructure Loans to Total Assets	N A
16	Has there been any takeover/acquisition of control/ change in shareholding/ Management during the year which required approval from RBI (Please Refer to Master Directions issued by DNBR : i) Master Directions - Non Banking Financial Company - Non - Systemically Important Non - Deposit taking Company (Reserve Bank) Directions, 2016; and ii) Master Directions - Non Banking Financial Company Systemically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.	No

1. In terms of Chapter II of the Master Direction - Non - Banking Financial Companies Auditor's Report (Reserve Bank) Directions 2016, a separate Report to the Board of Directors of the Company has been prepared.

2. I have read and understood Chapter III of Master Direction - Non - Banking Financial Companies Auditor's Report (Reserve Bank) Directions 2016.

For : P D Randar and co.  
Chartered Accountants  
Firm Registration No. 319295E



**SHAKTI ANCHALIA**  
Partner  
Membership No. 301692  
Place: Kolkata  
Date: 30th May, 2023



UIN : 2330692BCXHIPL4392

**ANNEXURE I**

Name of the Company: **KHERAPATI VANIJYA LIMITED**

RBI CERTIFICATE NO.: 05-00621 Dated 04/03/1998

CAPITAL FUNDS - TIER-I		(Amount in crore of rupees)
Sl no	Item Name	Amount
1	Paid-up Equity Capital	1 3500
2	Preference shares Capital	
3	Free Reserves	
(a)	General Reserve	
(b)	Share Premium	0 4286
(c)	Capital Reserve	0 0000
(d)	Debentures Redemption Reserve	
(e)	Capital Redemption reserve	
(f)	Credit Balance in P & L Account	1 5000
(g)	Other free reserves	1 6415
4	Special Reserves as per RBI Guidelines	
	Total (1 to 4)	0 7750
5	Less: (i)Accumulated balance of loss	5 6959
	(ii) Deferred Revenue Expenditure	-
	(iii) Deferred Tax Assets(Net)	-
	(iv) Other Intangible Assets	-
	(v) Short Provisioning against NPA/diminution in value of investment	-
	<b>Owned Fund</b>	<b>5.6959</b>
6	Investment in shares of :	
(i)	Companies in the same Group	
(ii)	Subsidiaries	1 5300
(iii)	Wholly -Owned Subsidiaries	-
(iv)	Other non-banking financial companies	-
7	The book value of debentures bonds, outstanding loans and advances, bills purchased and discounted (including hire purchase and lease finance) made to and deposit with :	
(i)	Companies in the same Group	
(ii)	Subsidiaries	0 5540
(iii)	Wholly -Owned Subsidiaries/Joint Ventures Abroad	-
8	Total of 6 and 7	
9	Amount of item 8 in excess of 10 percent of Owned Fund	2 0840
10	<b>Net Owned funds</b>	<b>4.1815</b>

For : P D Randar and co.  
Chartered Accountants  
Firm Registration No. 319295E



*Lakshmi*  
**SHAKTI ANCHALIA**  
Partner  
Membership No. 301692  
Place: Kolkata  
Date: 30th May, 2023


**ANNEXURE II**

Name of the Company: KHERAPATI VANIJYA LIMITED  
RBI CERTIFICATE NO.: 05-00621 Dated 04/03/1998

Calculation of Financial & Non Financial Assets for the Year ended 31.03.2023		(Amount in crore of rupees)
Particulars	Assets as on 31st March, 2023	% of Total Assets as on 31st March, 2023
<b>A. Financial Assets:</b>		
1. Investments	2.1600	36.53
2. Loans & Advances	2.5343	42.86
Total	4.6943	79.39
(A)		
<b>B. Non Financial Assets</b>		
1. Cash & Bank Balances (excluding fixed deposits)	1.0176	17.21
2. TDS and Adnace Tax	0.2004	3.39
3. Security Deposit	0.0003	0.01
4. Property, Plant & Equipmens	0.0000	0.00
Total	1.2183	20.61
(B)		
<b>Total (A+B)</b>	<b>5.9126</b>	<b>100.00</b>

Calculation of Financial & Non Financial Income for the year 2023		(Amount in crore of rupees)
Particulars	Income for the year ending 31st March, 2023	% of Total Income for the year ending 31st March, 2023
<b>A. Financial Income:</b>		
1. Interest	0.5948	96.62
2. Short Term Profit	0.0208	3.38
Total	0.6156	100.00
(A)		
<b>B. Non Financial Income</b>		
1. Interest on Income tax Refund	0.0000	0.00
Total	0.0000	0.00
(B)		
<b>Total (A+B)</b>	<b>0.6156</b>	<b>100.00</b>

For : P D Randar and co.  
Chartered Accountants  
Firm Registration No. 319295E

  
SHAKTI ANCHARIA  
Partner  
Membership No. 301692  
Place: Kolkata  
Date: 30th May, 2023

