

KINETIC IMPEX LIMITED

2018-2019

33RD ANNUAL REPORT

W

[Http://Kineticimpex.in](http://Kineticimpex.in)



E

kineticimpex1985@gmail.com

22, Ground Floor,
8, Camac Street,
Kolkata – 700017

T

033-22823851/
011-25459706

CIN

L51909WB1985PLC03945

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Vinay Nahata, Whole Time Director
Shri Hulas Mal Surana, Director
Shri Rajesh Kumar Patawari, Director

KEY MANAGERIAL PERSONNEL

1. Chief Financial Officer
Smt. Shashi Katyal
2. Company Secretary
Ms. Alka (Appointed as on
23.04.2019)

STATUTORY AUDITORS

M/s Devesh Parekh & Co.,
675, Aggarwal Cyber Plaza-II
Netaji Subhash Place, Delhi- 110034

SECRETARIAL AUDITORS

Mrs. Shikha Nahata
Practicing Company Secretary
20E, Lake Road, Kolkata – 700 029

COMMITTEE(S) OF BOARD

1. Audit Committee-
Shri Hulas Mal Surana, Chairman
Shri Vinay Nahata, Member
Shri Rajesh Kumar Patawari, Member

2. Nomination & Remuneration
Committee-

Shri Rajesh Kumar Patawari, Chairman
Shri Hulas Mal Surana, Member
Shri Vinay Nahata, Member

3. Stakeholders Relationship Committee-

Shri Rajesh Kumar Patawari, Chairman
Shri Vinay Nahata, Member
Shri Hulas Mal Surana, Member

REGISTERED OFFICE

22, Ground Floor, 8, Camac Street,
Kolkata, West Bengal – 700017

CORPORATE OFFICE

KLJ House, 63, Rama Marg, Najafgarh
Road, New Delhi 110015

REGISTRAR & SHARE TRANSFER AGENT

R & D Infotech Private Limited,
Add.:- 1st Floor, 7A, Betala Road,
Kolkata, West Bengal-700 026,
Tel- 91-33-24192641/2642,
Email: - rdinfotec@yahoo.com

STOCK EXCHANGE(S) WHERE COMPANY'S SECURITIES ARE LISTED

The Calcutta Stock Exchange Ltd.

E-MAIL ID

kineticimpex1985@gmail.com

COMPANY'S WEBSITE

<http://kineticimpex.in>

CONTACT NO.

033-22823851/ 011-25459706

CIN

L51909WB1985PLC039455

NOTICE OF 33RD ANNUAL GENERAL MEETING

NOTICE is hereby given that the 33rd Annual General Meeting of the members of **KINETIC IMPEX LIMITED** will be held on Monday, the 30th day of September, 2019 at 04.00 P.M. at the Registered Office of the Company situated at 22, Ground Floor, 8, Camac Street, Kolkata – 700017 to transact the following business:

ORDINARY BUSINESS

Item No.1- To receive, consider and adopt:

- A. The audited standalone financial statements of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon;
- B. The audited consolidated financial statements of the Company for the financial year ended 31st March, 2019 and the report of Auditors thereon in this regard; and to pass the following resolutions as **Ordinary Resolutions**:
 - (a) **“RESOLVED THAT** the audited Standalone financial statements of the Company for the financial year ended 31st March, 2019 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”
 - (b) **“RESOLVED THAT** the audited consolidated financial statements of the Company for the financial year ended 31st March, 2019 and the report of Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

Item No.2- Re-Appointment of Director:

To appoint a Director in place of Sh. Rajesh Kumar Patawari (DIN: 08214123), who retires by rotation and being eligible, offers himself for re-appointment and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Sh. Rajesh Kumar Patawari (DIN: 08214123), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Item No.3- Authorisation to Board to fix remuneration of Statutory Auditors:

To approve the remuneration of Statutory Auditors for the financial year 2019-20 and to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the Board of Directors of the Company be and are hereby authorized to fix the Remuneration of Statutory Auditors for Financial Year 2019-20 as may be mutually agreed between the Statutory Auditors and the Board.”

SPECIAL BUSINESS

Item No. 4- To appoint Sh. Vinay Nahata (DIN: 01489219) as Wholetime Director of the Company

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

“RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 as amended by the Companies (Amendment) Act, 2017, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of Nomination and Remuneration Committee, appointment of Sh. Vinay Nahata (DIN: 01489219) as Wholetime Director of the Company, for a term of 5 (five) years i.e. from 23rd April, 2019 to 22nd April, 2024 be and is hereby approved on the terms and conditions as agreed to between the Board and Sh. Vinay Nahata, provided that Sh. Vinay Nahata during the currency of his tenure as Wholetime Director shall not draw any remuneration from the company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to take such steps and to do all other acts, deeds and things as may be necessary or desirable to give effect to this resolution.”

**By Order of the Board of Directors
For Kinetic Impex Limited**


(Alka)

Company Secretary

M. No.: A58266

Address: 525, Rao ka Bas,
Near Jhulelal mandir,
Degana Junction, Nagaur,
Rajasthan-341503

September 4, 2019
New Delhi

Registered Office:

22, Ground Floor, 8, Camac Street,
Kolkata (West Bengal) – 700 017
CIN: L51909WB1985PLC039455
Website: <http://kineticimpex.in>;
E-mail: kineticimpex1985@gmail.com
Tel.: (033) 22823851 (011) 25459706

NOTES:

- 1) A member entitled to attend and vote at the 33RD Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
- 2) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total paid up share capital of the Company carrying voting rights. A member holding more than ten percent of the total paid up share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. The holder of proxy shall prove his identity at the time of attending the Meeting.
- 3) An Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 relating to the Special Business to be transacted at the meeting is annexed hereto.
- 4) Attendance Slip, Proxy Form and a Route Map showing directions to reach the meeting venue are annexed to the Notice.
- 5) Corporate members intending to send their authorized representative(s) to attend the Meeting are requested to send to the Company a certified true copy of the relevant Board Resolution together with the specimen signature(s) of the representative(s) authorized under the said Board Resolution to attend and vote on their behalf at the Meeting.
- 6) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 27th September 2019 to Monday, 30th September 2019(both days inclusive) for the purpose of Annual General Meeting.
- 7) The requirement to place the matter relating to appointment of Statutory Auditor for ratification by the members at every Annual General Meeting is done away with Vide Notification No. S.O. 1833 (E) dated 07.05.2018 issued by Ministry of Corporate Affairs. Accordingly no resolution is proposed for ratification of appointment of Devesh Parekh & Co., Chartered Accountants (FRN: 13338N) New Delhi, who was appointed as Statutory Auditor of the Company in 31st Annual General Meeting held on 29.09.2017 to hold office up to the conclusion of 36th Annual General Meeting.
- 8) In terms of Section 152 of the Act, Sh. Rajesh Kumar Patawari (DIN: 08214123), Director, retires by rotation at the Meeting and being eligible, offers himself for re-appointment. The Nomination and Remuneration Committee of the Board and the Board of Directors of the Company commend his re-appointment. Details of the Director retiring by rotation, as required to be provided pursuant to the provisions of (i) the Securities and Exchange Board of India(Listing Obligations and Disclosure Requirements)Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2") are provided herein below:

| | |
|--|--|
| Name | Sh. Rajesh Kumar Patawari |
| Date of Birth | 31/07/1974 |
| Age | 45 years |
| Date of first Appointment on Board | 05/09/2018 |
| Qualification | Graduate |
| Experience (including expertise in specific functional area)/ Brief Resume | 20 years of experience in Finance and Accounts |

| | |
|--|----------|
| Remuneration last drawn | NIL |
| No. of Meetings attended during the year | Four (4) |
| Relationship with other Directors/Key Managerial Personnel | NIL |
| Directorships held in other public companies(excluding foreign and section 8 companies) | NIL |
| Membership/Chairmanship of committees of other public companies (includes only Audit Committee and stakeholders' Relationship Committee) | NIL |
| Number of Shares held in the Company | 1100 |

- 0) Members / Proxies / Authorized Representatives are requested to bring to the Meeting necessary details of their shareholding, attendance slip(s) and copy (ies) of their Annual Report.
- 0) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.
- 1) Relevant documents referred to in the Notice are open for inspection by the members at the Registered Office of the Company on all working days (i.e., except Sundays and Public Holidays) during business hours up to the date of the Meeting. The aforesaid documents will also be available for inspection by members at the Meeting.
- 2) The Company's Registrars & Transfer Agents for its share registry (both, physical as well as electronic) is R & D Infotech Private Limited, the ("RTA") having their registered office at 1st Floor, 7A, Beltala Road, Kolkata – 700 026.
- 3) Members holding shares in physical mode are requested to advise any change in their address or bank mandates to the Company.
- 4) The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members can submit their PAN to the Company / RTA.
- 5) Members holding shares in physical mode are advised to make nomination in respect of their shareholding in the Company by sending the nomination form (SH-13) to the Company.
- 6) Members who hold shares in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to RTA, for consolidation into a single folio.
- 7) Members who have not registered/updated their e-mail addresses with RTA are requested to do so for receiving all future communications from the Company including Annual Reports, Notices, Circulars, etc., electronically.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under section 102 of the Companies Act, 2013, the following Explanatory Statements set out all the material facts relating to business mentioned under Item No. 4 of the accompanying Notice:

ITEM NO. 4

The Board of Directors in its meeting held on 23.04.2019, on recommendation of Nomination and Remuneration Committee, appointed Sh. Vinay Nahata as Whole Time Director of the company for a term of 5 years i.e. from 23.04.2019 to 22.04.2024 upon the terms and conditions including remuneration, subject to the approval of the shareholders of the Company by way of ordinary resolution and accordingly has recommended approval of his appointment as the Whole Time Director of the company for a period of 5 years. He further informed that Sh. Vinay Nahata has consented that he shall not draw any remuneration with respect to his appointment as the Whole Time Director.

The board recommends the Resolution as Item No. 4 of this notice for approval of the members.

Except Sh. Vinay Nahata, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

**By Order of the Board of Directors
For Kinetic Impex Limited**



(Alka)

Company Secretary

M. No.: A58266

Address: 525, Rao ka Bas,

Near Jhulelal mandir,

Degana Junction, Nagaur,

Rajasthan-341503

September 4, 2019

New Delhi

Kinetic Impex Limited
CIN: L51909WB1985PLC039455
Regd. Off.: 22, Ground Floor, 8 Camac Street, Kolkata – 700017 WB

Form No. MGT-11

Proxy Form

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

33rd Annual General Meeting - September 30, 2019 at 4:00 P.M

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

We, being the member (s) of shares of the above named company, hereby appoint

1. Name:
 Address:
 E-mail Id:
 Signature:, or failing him/her

2. Name:
 Address:
 E-mail Id:
 Signature:or failing him/her

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

I/We, my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on the 30th day of September, 2019 At 4.00 p.m. at its registered office at 22, Ground Floor, 8, Camac Street, Kolkata, West Bengal - 700017 and at any adjournment thereof in respect of such resolutions as are indicated below :

| Resolution no. | Resolution | for | against |
|--------------------------|--|-----|---------|
| ORDINARY BUSINESS | | | |
| 1A. | Adoption of Audited Standalone Financial Statement and Report of Board of directors and Auditors thereon, for the Year ended March 31, 2019. | | |
| 1B. | Adoption of Audited Consolidated Financial Statement and Auditors Report thereon, for the Year ended March 31, 2019. | | |
| 2. | To Re-appoint Sh. Rajesh Kumar Patawari (DIN: 08214123), as a director, liable to retire by rotation | | |
| 3. | Authorisation to Board to fix remuneration of Statutory Auditors for F.Y. 2019-20 | | |
| SPECIAL BUSINESS | | | |
| 4. | Approval of appointment of Sh. Vinay Nahata (DIN: 01489219) as Whole Time Director of the Company | | |

signed this.....Day of..... 2019

Signature of shareholder Signature of Proxy holder(s)

Affix
Revenue
Stamp

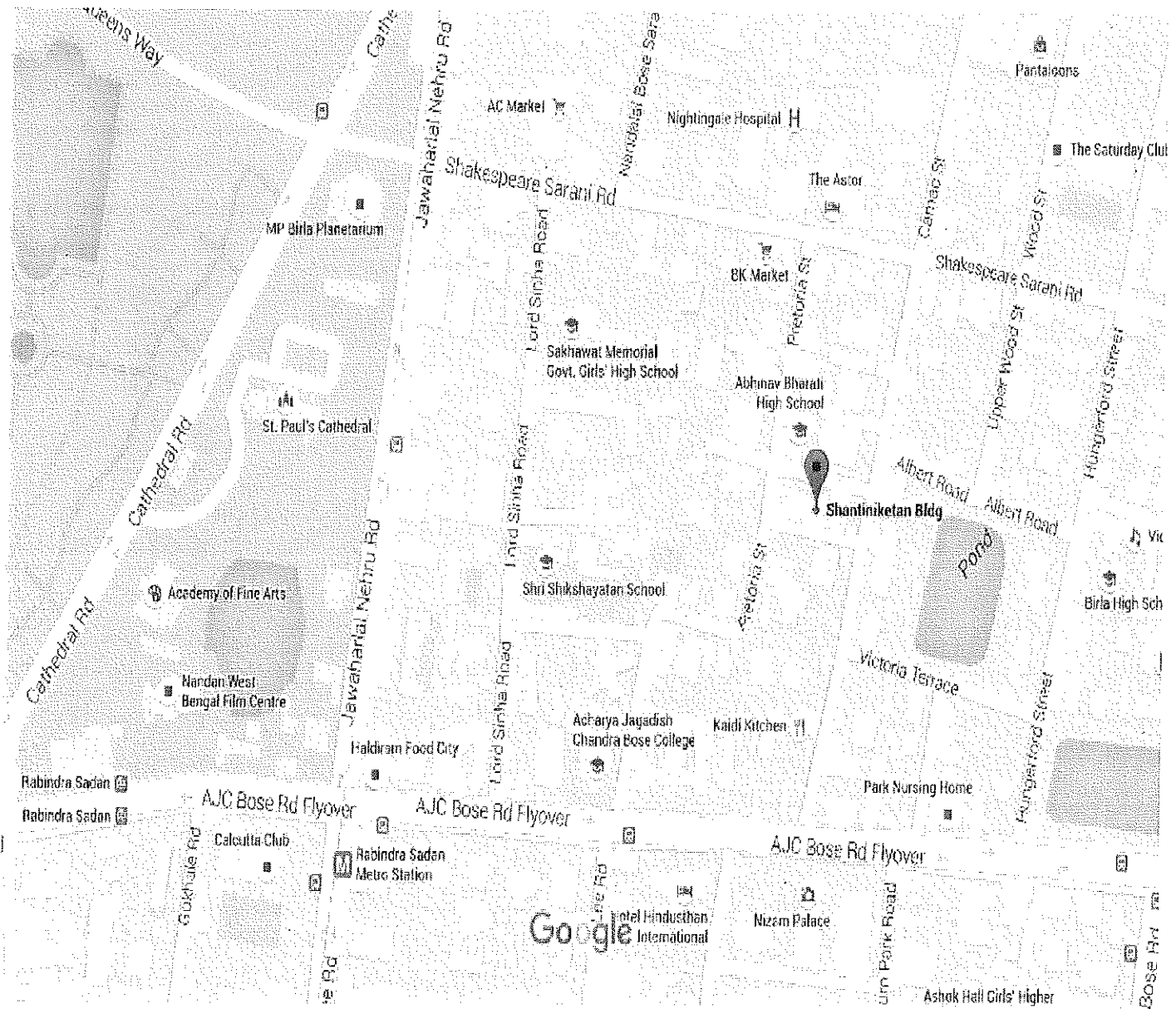
te:
 s form of proxy in order to be effective should be duly completed and deposited at the registered Office of the Company, not less than 48 hours before the commencement of the Meeting. Proxy need not be a member of the Company.

the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 33rd Annual General Meeting.

Route Map to the Venue of the 33rd Annual General Meeting of Kinetic Impex Limited

Regd. Off.: 22, GROUND FLOOR, 8, CAMAC STREET, KOLKATA – 700 017

Google Maps



Boards' Report

To,
The Members of
KINETIC IMPEX LTD

Your Directors have pleasure in presenting the 33rd Board's Report of your Company together with the Audited Standalone and Audited Consolidated Financial Accounts of the company for the financial year ended, 31st March, 2019.

1. FINANCIAL RESULTS

(Amount in INR in "Lacs")

| <i>Particulars</i> | <i>Current year ended 31.03.2019</i> | <i>Previous Year ended 31.03.2018</i> |
|---|--|---|
| Revenue from Operations | 164.15 | 151.71 |
| Other Income | 35.63 | 0.59 |
| Total Revenue | 199.78 | 152.30 |
| Employee benefits cost | 11.57 | 11.54 |
| Finance cost | 13.76 | 15.06 |
| Other expenses | 3.63 | 2.67 |
| Total expenses | 28.96 | 29.27 |
| Profit Before Tax | 170.82 | 123.03 |
| Current Tax | 44.00 | 24.77 |
| Deferred Tax | - | - |
| Short/(excess) provision for earlier year | - | - |
| Profit/(Loss) after Tax | 126.82 | 98.26 |
| Earning per share (Rs.) | 12.19 | 9.45 |
| Basic & Diluted (in Rs.) | 12.19 | 9.45 |

2. PERFORMANCE AND STATE OF COMPANY'S AFFAIRS

During the year under review, the total revenue of the Company was Rs.199.78 Lacs against Rs. 152.30 Lacs in the previous year. The Company has earned a Profit after tax of Rs. 126.82 Lacs compared to Rs. 98.26 Lacs in the previous year. Your Directors are continuously looking for avenues for future growth of the Company.

3. RESERVES AND SURPLUS

Net surplus in the statement of Profit & loss for the financial year 2018-19 is carried to the Balance Sheet. The same has been mentioned in note no. 10 of the financial statements.

4. DIVIDEND

For the year ended 31st March, 2019, your Directors have not recommended any dividend.

5. PREPARATION OF FINANCIAL ACCOUNTS AS PER IND-AS

The applicability of IND-AS is mandatory on all the companies whose equity or debt securities are listed or are in the process of being listed on any stock exchange in India or outside India and having net worth of less than rupees five hundred crore from 1st April, 2017. Our company falls under the bracket of being listed and having net worth of less than 500 crore, so, has to incorporate Companies (Indian Accounting Standards (IND AS)) Rules 2015, in their reports for the disclosure of financial information. Our Company is complying with the IND-AS from last year.

6. CONSOLIDATED FINANCIAL STATEMENTS

As required under provisions of Companies Act, 2013 and rules issued there under read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Consolidated Financial Statements of the Company and its Associates form part of the Annual Report. The said financial statements and detailed information of the Associate companies shall be made available by the Company to the shareholders on request. These financial statements will also be kept open for inspection by any member at the Registered Office of the Company.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE BOARD REPORT

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.

8. CHANGE IN THE NATURE OF BUSINESS

There has been no change in nature of business of the Company during the financial year under review.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, Sh. Vinay Nahata (DIN: 01489219) and Sh. Rajesh Kumar Patawari (DIN: 08214123) were appointed as an additional director on the Board of Company w.e.f. 14/08/2018 and 05/09/2018, respectively, and were regularized in the AGM of the Company held on 29/09/2018.

Sh. Ashok Kumar Maharshi (DIN: 00519756) & Sh. Vineet Sethia (DIN: 02091164) resigned from the Board w.e.f. 05/09/2018.

Further, Subsequent to the end of Financial Year 2018-19 Company has appointed Ms. Alka, as Company Secretary, Smt. Shashi katyal, as CFO and Sh. Vinay Nahata, as Whole Time Director of the Company.

Sh. Rajesh Kumar Patawari (DIN: 08214123) a non executive Director of the Company retires at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. The Board recommends his reappointment. A Brief resume of Sh. Rajesh Kumar Patawari proposed to be re-appointed as stipulated under SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Ministry of Corporate Affairs, is provided in notes to the notice forming part of this Annual Report.

10. INDEPENDENT DIRECTORS

Currently there are no independent directors on the Board of the Company and the company is looking for the eligible persons to be appointed as independent directors as per the requirements of Companies Act, 2013 and SEBI (LODR), Regulations, 2015.

11. PARTICULARS OF EMPLOYEES

During the period under review, none of the Employee(s) was in receipt of the remuneration, exceeding the prescribed limit as per the Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended.

12. BOARD AND INDIVIDUAL DIRECTORS PERFORMANCE EVALUATION

In terms of the requirement of the Companies Act, 2013 and the SEBI Regulations, an annual performance evaluation of the Board was undertaken. During the year, the Board undertook the process of evaluation through discussions and made an oral assessment of its functioning. The Board had, during the year, opportunities to interact and make an assessment of their functioning as a collective body. The Board found there was considerable value and richness in such discussions and deliberations.

The Board Evaluation discussion was focused around how to make the Board more effective as a collective body in the context of the business and the external environment in which the Company functions. From time to time during the year, the Board was appraised of the business issues and the related opportunities and risks. The Board discussed various aspects of the functioning of the Board and its Committees such as structure, composition, meetings, functions and interaction with Management and what needs to be done to further improve the effectiveness of the Board's functioning. Additionally, during the evaluation discussion, the Board also focused on the contribution being made by the Board as a whole, through Committees and discussions on a one on one basis with the Chairman.

The process of Board Evaluation through oral assessment was led by the Non-Executive Chairman and the Chairman of the Nomination and Remuneration Committee. The overall assessment of the Board was that it was functioning as a cohesive body including the Committees of the Board that were functioning well with periodic reporting by the Committees to the Board on the work done and progress made during the period. The Board also noted that the actions identified in the questionnaire based evaluations had been acted upon.

13. EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 as amended in Form MGT-9 is annexed herewith for your kind perusal and information. (**Annexure: 1**)

14. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

- **Associate Companies** : As on March 31, 2019, the Company has three associate companies viz.,
- **Dependable Consumable Goods Private Limited,**
 - **Ashulok Steel Traders Private Limited, and**
 - **High Image Plastic Traders Private Limited**

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of the Company's subsidiaries & Associates in Form AOC-1 is annexed to the consolidated financial statements of the Company. (**Annexure: 2**)

15. NUMBER OF MEETINGS OF BOARD AND BOARD COMMITTEES

6 (Six) meetings of the board were held during the year. Dates on which the board meetings were held are mentioned below:

| S. No. | Date of Meeting | Directors eligible to Attend the Meeting | Directors attended the Meeting |
|--------|-----------------|--|--------------------------------|
| 1 | 30.05.2018 | 3 | 3 |
| 2 | 14.08.2018 | 4 | 4 |
| 3 | 05.09.2018 | 3 | 3 |
| 4 | 12.11.2018 | 3 | 3 |
| 5 | 23.11.2018 | 3 | 3 |
| 6 | 14.02.2019 | 3 | 3 |

Committees of the Board

Currently, the board has 3 committees:

1. **Audit Committee**
2. **Nomination & remuneration Committee**
3. **Stakeholders Relationship Committee**

1. Audit Committee

The Board of the Company has duly re-constituted the Audit Committee, comprising of three Directors on appointment of new directors on the Board of the Company. The constitution of the Audit Committee meets the requirement of Section 177 of the Companies Act, 2013 and SEBI Regulations.

The terms of reference of the Audit Committee include those specified under Regulation 18 of the SEBI Regulations as well as under Section 177 of the Companies Act, 2013 which *inter alia* include:

- to oversee the Company's financial reporting process and disclosure of its financial information,
- to recommend appointment, remuneration and terms of appointment of the Auditors of the Company,
- to review and monitor the Auditor's independence and performance, and effectiveness of audit process,
- to review quarterly and annual financial statements before submission to the Board and to advice and make recommendations to the Board on matters related to financial management of the Company, including Audit Reports,
- to approve or subsequently modify the transactions of the Company with the related parties,
- to scrutinize the inter-corporate loans and investments,
- to assess the value of undertakings or assets of the Company, whenever it is necessary,
- to review and discuss with Auditors about internal control system, major accounting policies and practices reviewing financial and Risk management policy of the company, in compliance with the SEBI Regulations and legal requirements concerning financial statements,
- to monitor the end use of funds raised through public offers and related matters and
- to carry out any other functions as mentioned in terms of reference to the Audit Committee.

The committee met 4 times during the year under review. The meetings were held on 30/05/2018, 14/08/2018, 12/11/2018 and on 14/02/2019. The Audit Committee has been re-constituted by the Board in its meeting held on 05/09/2018. The composition of the Audit Committee and the attendance of the members at the meeting were as follows:

| S. No. | Name of Member | Status | No. of Meetings during the financial year 2018-19 | |
|--------|---------------------------|-------------|---|----------|
| | | | Held | Attended |
| 1. | Sh. Hulas Mal Surana | Chairperson | 4 | 4 |
| 2. | Sh. Rajesh Kumar Patawari | Member | 2 | 2 |
| 3. | Sh. Vinay Nahata | Member | 2 | 2 |

2. Nomination and Remuneration Committee

In terms of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI Regulations, the Board has constituted the Nomination and Remuneration Committee. The Committee *inter alia* reviews and approves the Annual salaries, commission, service agreement and other employment Conditions for the Executive Director and senior management. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is in consonance with the existing industry practice. The Committee comprises of three Directors.

The role of Nomination and Remuneration Committee is as follows:

- To determine / recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- To determine / recommend the criteria for qualifications, positive attributes and independence of Director;
- To identify candidates who are qualified to become Directors and recommend to the Board their appointment and removal;
- To review and determine all elements of remuneration package of Executive Director, i.e. salary, benefits, bonuses, pension etc;
- To review and determine fixed component and performance linked incentives for Directors, along with the performance criteria;
- To determine policy on service contracts, notice period, severance fees for Directors and Senior Management;
- To formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole.

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgment.

The Committee met 2 times during the year under review. The meetings were held on 13/08/2018 and 04/09/2018. The Nomination and Remuneration Committee has been re-constituted by the Board in its meeting held on 05/09/2018. The composition and the attendance of members at the meetings were as follows:

| S. No. | Name of Member | Status | No. of Meetings during the financial year 2018-19 | |
|--------|---------------------------|-------------|---|----------|
| | | | Held | Attended |
| 1. | Sh. Hulas Mal Surana | Chairperson | 2 | 2 |
| 2. | Sh. Rajesh Kumar Patawari | Member | 0 | 0 |
| 3. | Sh. Vinay Nahata | Member | 0 | 0 |

3. Stakeholders Relationship Committee

In terms of Section 178 of the Companies Act, 2013 and the SEBI Regulations, the Board has constituted a Stakeholders' Relationship Committee. The Committee inter alia looks into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports. During the year, the committee met 4 (four) times. The Meetings were held on 30/04/2018, 17/07/2018, 11/10/2018 and on 21/01/2019. The Stakeholders' Relationship Committee has been re-constituted by the Board in its meeting held on 05/09/2018.

The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

| S. No. | Name of Member | Status | No. of Meetings during the financial year 2018-19 | |
|--------|---------------------------|-------------|---|----------|
| | | | Held | Attended |
| 1. | Sh. Rajesh Kumar Patawari | Chairperson | 2 | 2 |
| 2. | Sh. Hulas Mal Surana | Member | 4 | 4 |
| 3. | Sh. Vinay Nahata | Member | 2 | 2 |

During the year, Nil complaints were received and hence as on 31/03/2019, there were Nil complaints pending with the Company.

16. **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Board has in place adequate internal financial control systems as required under Section 143 (10) of the Companies Act, 2013 and such internal financial control systems have been operating effectively.

17. **AUDITORS**

(A) STATUTORY AUDITOR'S & AUDITOR'S REPORT

M/s Devesh Parekh & Co., Chartered Accountants (Firm Registration No.13338N), New Delhi, in the Annual General Meeting of the company held on 29th September, 2017 were appointed as statutory auditors of the Company for a period of 5 years up to conclusion of Annual General Meeting to be held in the year 2022, subject to ratification of their appointment in the every Annual General Meeting.

The requirement of ratification of statutory auditor in Annual General Meeting is omitted as per Companies (Audit and Auditors) Amendment Rules, 2018 with effect from 07th May, 2018.

The Auditor's Report does not contain any qualifications, reservations or adverse remarks. The Report forms a part of the Annual Report and is self-explanatory requiring no further elucidation.

(B) SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT

The Board has appointed Mrs. Shikha Nahata, Practicing Company Secretary, (ICSI C.P No. 14673) Kolkata, to conduct Secretarial Audit of the Company for the financial year 2018-19. The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith as "**Annexure 2**" to this Report.

Observations:

- a) Currently, Company has Two Non-executive director, One Whole Time Director, One Chief Financial Officer and One Company Secretary. However, Company did not appoint any Independent Directors and looking for suitable options.
- b) The Company has partially Complied with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015.

The Company shall take suitable steps to comply with the said provisions.

18. **REPORT ON MANAGEMENT DISCUSSION AND ANALYSIS**

A Report on Management Discussion and Analysis for the period ended 31st March, 2019, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been provided in a separate section and forms part of the Annual Report.

19. **PUBLIC DEPOSITS**

During the year under review, the Company has not accepted any fixed deposits falling under the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014 and there are no unpaid or overdue deposits for the period.

Further, as prescribed under Companies (Acceptance of Deposit) Amendment Rules, 2019 details of borrowings have been filed with Registrar of Companies in Form DPT-3.

20. **AUDIT COMMITTEE**

The Audit Committee has been reconstituted on 05.09.2018 in compliance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The Audit Committee as on 31.03.2019 comprised of 3 directors, namely, Sh. Hulas Mal Surana, Sh. Rajesh Kumar Patawari and Sh. Vinay Nahata.

21. **VIGIL MECHANISM / WHISTLE BLOWER POLICY**
A Vigil Mechanism as per provision of section 177 (9) of Companies Act, 2013 and regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 has been established for Directors and Employees to report to the management about suspected or actual frauds, unethical behavior or violation of the Company's code.
22. **PARTICULARS OF FRAUDS, IF ANY REPORTED UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT**
No frauds have been reported under sub-section (12) of Section 143 of the Companies Act, 2013 by the auditors of the Company.
23. **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**
No significant and material orders have been passed by the regulators or courts or tribunals, impacting the going concern status and company's operations in future.
24. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**
The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.
25. **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**
The Company has following Loans, Guarantee given and Investments made under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2019:
- **Investments**: As on March 31, 2019, the investment stands in balance sheet at Rs. 3,878.79 Lakhs.
 - **Loans given**: As on March 31, 2019, the **Long term loan** stands in balance sheet at Rs. 2612.38 Lakhs.
 - **Guarantee given** : The company has not given any guarantee or provide security in connection with a loan to any other body corporate or person;
26. **TRANSACTIONS WITH RELATED PARTIES**
All contracts/ arrangements/ transactions, if any, entered by the Company during the financial year with related parties were on an arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Related Party Transactions were placed before the Audit Committee for its prior approval. There were no materially significant Related Party Transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons, and associate Companies which may have a potential conflict with the interest of the Company. There are no transactions that are required to be reported in Form AOC-2 hence said form does not form part of this report. However, the details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.
27. **FOREIGN EXCHANGE EARNINGS AND OUTGO**
There were no foreign exchange earnings and outgo during the year under review.
28. **RISK MANAGEMENT**
Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk management is a structured approach to manage uncertainty. A formal enterprise wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. As a formal roll-out, all business divisions and corporate functions will embrace Risk Management Policy and Guidelines, and make use of these in their decision making. Key

business risks and their mitigation are considered in the annual/strategic business plans and in periodic management reviews. The risk management process in our multi-business, multi-site operations, over the period of time will become embedded into the Company's business systems and processes, such that our responses to risks remain current and dynamic.

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

The Company is committed to provide a healthy environment and thus does not tolerate any discrimination and/ or harassment in any form. The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal complaints Committee has been set up to redress complaints received regarding sexual harassment. All women employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year 2018-19, no complaints were received by the committee.

30. LISTING AT STOCK EXCHANGES

The Equity Shares of Company are listed on "The Calcutta Stock Exchange Limited". The Company has paid its Annual Listing Fee to the stock exchange for the financial year 2018-2019. All the records of shares are maintained by R & D Infotech Private Limited, the Registrar and Share Transfer Agent (RTA) of the Company.

31. SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2019 stands at Rs. 10,400,000/- (Rupees One Crore Four Lacs Only) divided into 1,040,000 (Ten lacs forty thousand only) equity shares of Rs. 10/- (Rupees ten Only) each. The Issued Share Capital of your Company is Rs. 10,400,000/- (Rupees One Crore Four Lacs Only) divided into 1,040,000 (Ten lacs forty thousand only) equity shares of Rs. 10/- each and the Subscribed and Paid-up Share Capital is Rs. 10,400,000/- (Rupees One Crore Four Lacs Only) divided into 1,040,000 (Ten lacs forty thousand only) equity shares of Rs. 10/- each fully paid-up.

32. MAINTAINANCE OF COST RECORDS

Section 148(1) of the Companies Act, 2013 with regard to maintenance of Cost Records is not applicable on the Company. Therefore no Cost Record has been maintained by the Company.

33. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions contained in Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

- a) In the preparation of the annual accounts for the year ended 31st March, 2019, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts on a going concern basis;
- e) The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

34. INDUSTRIAL RELATIONS

During the year under review, the relations between the Management and the workmen were highly cordial. Human resources initiatives such as skill up-gradation, training, appropriate reward & recognition systems and productivity improvement were the key focus areas for development of the employees of the Company.


35. INVESTOR RELATIONS


Your Company always endeavors to promptly respond to shareholders' requests/grievances. Each and every issue raised by the shareholders is taken up with utmost priority and every effort is made to resolve the same at the earliest. The Stakeholders Relationship Committee of the Board periodically reviews the status of the redressal of investor's grievances.

36. ACKNOWLEDGEMENT

Your Directors wish to place on record the sincere and dedicated efforts of all the employee of the Company. Your Directors also takes this opportunity to offer their sincere thanks to the Financial Institutions, Banks and other Government Agencies, valued customers and all the stakeholders for their continued support, co-operation and assistance.

**For and on behalf of
KINETIC IMPEX LIMITED**


(Hulas Mal Surana)
Director
DIN: 00142091


(Rajesh Kumar Patawari)
Director
DIN: 08214123

Date: 04.09.2019
Place: New Delhi

Form No. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST
MARCH, 2019

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

I. REGISTRATION AND OTHER DETAILS:

| | |
|--|--|
| CIN | L51909WB1985PLC039455 |
| Registration Date | 01/10/1985 |
| Name of the Company | KINETIC IMPEX LTD |
| Category / Sub-Category of the Company | Public Company |
| | Limited by shares |
| | Company having share capital |
| Address of the Registered office and contact details | 22, Ground Floor, 8 Camac Street, Kolkata - 700017 West Bengal |
| | Telephone : 033-22823851 |
| | Email : kineticimpex1985@gmail.com |
| Whether listed company | Yes. At Calcutta Stock Exchange Ltd. |
| Name, Address and Contact details of Registrar and Transfer Agent, if any- | M/s R & D Infotech Private Limited, the ("RTA") having their registered office at 1st Floor, 7A, Beltala Road, Kolkata – 700 026. (033-24192641) |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
|---------|--|----------------------------------|------------------------------------|
| 1 | Financial Services | 6599 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

| S.No. | Name And Address of The Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|-------|---------------------------------|---------|--------------------------------|------------------|--------------------|
|-------|---------------------------------|---------|--------------------------------|------------------|--------------------|

| | | | | | |
|---|--|-----------------------|-----------|----|-----------------------------------|
| 1 | <u>Ashulok Steel Traders Pvt. Ltd.</u> 63, Rama Marg, N.G. Road, New Delhi – 110 015 | U51909DL1998PTC092195 | Associate | 24 | 2(6) of Companies Act, 2013 |
| 2 | <u>Dependable Consumable Goods Pvt. Ltd.</u> 63, Rama Marg, N.G. Road, New Delhi – 110 015 | U51397DL1998PTC092323 | Associate | 24 | 2(6) of Companies Act, 2013 |
| 3 | <u>High Image Plastic Traders Pvt. Ltd.</u> 63, Rama Marg, N.G. Road, New Delhi – 110 015 | U51495DL1998PTC092418 | Associate | 24 | 2(6) of Companies Act, 2013 |

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) :

i) Category-wise Share Holding

| Category of Shareholders | No. of Shares held at beginning of year | | | | No. of Shares held at the end of year | | | | % Change during the year |
|---|---|---------------|---------------|-------------------|---------------------------------------|---------------|---------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 0 | 688100 | 688100 | 66.16 | 0 | 688100 | 688100 | 66.16 | 0 |
| b) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) State Govt (s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Bodies Corp. | 0 | 100000 | 100000 | 9.62 | 0 | 100000 | 100000 | 9.62 | 0 |
| e) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 0 | 788100 | 788100 | 75.78 | 0 | 788100 | 788100 | 75.78 | 0 |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Other – Individuals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Bodies Corp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| d) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 0 | 788100 | 788100 | 75.78 | 0 | 788100 | 788100 | 75.78 | 0 |
| B. Public Shareholding | | | | | | | | | |
| I. Institutions | | | | | | | | | |
| a) Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Central Govt | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | | | | |
|--|---|---------|---------|-------|---|---------|---------|-------|---|
| d) State Govt(s) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| e) Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| f) Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| g) FIIs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| h) Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| i) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2. Non-Institutions | | | | 0 | | | | | |
| a) Bodies Corp. | 0 | 200000 | 200000 | 19.23 | 0 | 200000 | 200000 | 19.23 | 0 |
| i) Indian | | | | | | | | | |
| ii) Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| b) Individuals | 0 | 51900 | 51900 | 4.99 | 0 | 51900 | 51900 | 4.99 | 0 |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | | | | | | | | | |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh " | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| c) Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2):- | 0 | 251900 | 251900 | 24.22 | 0 | 251900 | 251900 | 24.22 | 0 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 0 | 251900 | 251900 | 24.22 | 0 | 251900 | 251900 | 24.22 | 0 |
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 0 | 1040000 | 1040000 | 100 | 0 | 1040000 | 1040000 | 100 | 0 |

(ii) Shareholding of Promoters

| S. No. | Shareholder's Name | Shareholding at beginning of year | | | Share holding at end of year | | | % change in share holding during the year |
|--------|-------------------------------------|-----------------------------------|------------------------------|---|------------------------------|------------------------------|--|---|
| | | No. of Shares | % of total Shares of company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of company | % of Shares Pledged / encumbered to total shares | |
| 1 | Kanhaiya Lal Jain | 152,500 | 14.66 | 0 | 152,500 | 14.66 | 0 | 0.00 |
| 2 | Sushila Patawari | 59,000 | 5.67 | 0 | 59,000 | 5.67 | 0 | 0.00 |
| 3 | Hemant Jain | 157,500 | 15.14 | 0 | 157,500 | 15.14 | 0 | 0.00 |
| 4 | Kamal Jain | 169,400 | 16.29 | 0 | 169,400 | 16.29 | 0 | 0.00 |
| 5 | Pushp Jain | 149,700 | 14.39 | 0 | 149,700 | 14.39 | 0 | 0.00 |
| 6 | M/s K L J Polymers & Chemicals Ltd. | 100,000 | 9.62 | 0 | 100,000 | 9.62 | 0 | 0.00 |

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

| Sl. No. | Name | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|------|-------------|---|------------------------------|---|------------------------------|
| | | | No. of Shares | % of total Shares of company | No. of Shares | % of total Shares of company |
| NIL | | | | | | |

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

| Sl. No. | For each of the Top Ten Shareholders | Shareholding at the beginning of the year | | Shareholding during the year | |
|---------|--------------------------------------|---|------------------------------|------------------------------|------------------------------|
| | | No. of Shares | % of total Shares of company | No. of Shares | % of total Shares of company |
| 1 | M/s Mangalshree Suppliers (P) Ltd. | 100,000 | 9.62 | 100,000 | 9.62 |
| 2 | M/s Siddhishree Vincom (P) Ltd. | 100,000 | 9.62 | 100,000 | 9.62 |
| 3 | Saurabh Sharma | 700 | 0.07 | 1500 | 0.14 |
| 4 | Saurav Kumar | 700 | 0.07 | 1400 | 0.13 |
| 5 | Shankar Lal Sharma | 800 | 0.07 | 1400 | 0.13 |
| 6 | Shanti Lal Dugar | 600 | 0.06 | 1400 | 0.13 |
| 7 | Ashish Marwah | 600 | 0.06 | 1300 | 0.12 |
| 8 | Gaurav Lata | 600 | 0.06 | 1300 | 0.12 |
| 9 | Kalu Singh | 600 | 0.06 | 1300 | 0.12 |
| 10 | Nand Lal Prajapat | 1000 | 0.10 | 1300 | 0.12 |

(v) Shareholding of Directors and Key Managerial Personnel

| Sl. No. | Name | Particulars | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|-----------------------|-------------|---|----------------------------------|---|----------------------------------|
| | | | No. of Shares | % of total Shares of the company | No. of Shares | % of total Shares of the company |
| 1 | Hulas Mal Surana | - | Nil | - | Nil | |
| 2 | Vinay Nahata | - | Nil | - | Nil | |
| 3 | Rajesh Kumar Patawari | - | - | 1100 | 0.11% | |

V. INDEBTEDNESS :

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 0 | 229,438,286 | 0 | 229,438,286 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | | 229,438,286 | 0 | 229,438,286 |
| Change in Indebtedness during the financial year | | | | |
| Addition | 0 | 7,585,328 | 0 | 7,585,328 |
| Reduction | 0 | 13,914,800 | 0 | 13,914,800 |
| Net Change | 0 | (6,329,472) | 0 | (6,329,472) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 0 | 223,108,814 | 0 | 223,108,814 |
| ii) Interest due but not paid | 0 | 0 | 0 | 0 |
| iii) Interest accrued but not due | 0 | 0 | 0 | 0 |
| Total (i+ii+iii) | 0 | 223,108,814 | 0 | 223,108,814 |

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

| Sl. no. | Name of MD/WTD/Manager | Gross salary | | | Stock Option | Sweat Equity | Commission | | Others | Total | Ceiling as per the Act |
|---------|------------------------|--|---|--|--------------|--------------|----------------|--------|--------|-------|------------------------|
| | | (a) Salary as per provision contained in section 17(1) of Income-tax Act, 1961 | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961 | | | as % of profit | others | | | |
| | | | | | | | | | | | |

B. Remuneration to other directors

| Sl. no. | Name of Directors | Independent Directors | | | Total (1) | Other Non-Executive Directors | | | Total (2) | Total (1+2) | Total Managerial Remuneration | Overall Ceiling as per the Act |
|---------|-------------------|--|------------|--------|-----------|--|------------|--------|-----------|-------------|-------------------------------|--------------------------------|
| | | Fee for attending board / committee meetings | Commission | Others | | Fee for attending board committee meetings | Commission | Others | | | | |
| | | | | | | | | | | | | |


C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD


| Sl. No. | Name of Key Managerial Personnel | Gross salary | | | Stock Option | Sweat Equity | Commission | | Others | Total |
|---------|----------------------------------|--|---|--|--------------|--------------|----------------|--------|--------|-------|
| | | (a) Salary as per provision contained in section 17(1) of Income-tax Act, 1961 | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | (c) Profits in lieu of salary u/s 17(3) Income-tax Act, 1961 | | | as % of profit | others | | |
| N.A. | | | | | | | | | | |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishments or compounding of offences during the year.

On behalf of the Board of
Kinetic Impex Limited


(Hulas Mal Surana)
Director
DIN: 00142091


(Rajesh Kumar Patawari)
Director
DIN: 08214123

Date: 04.09.2019
Place: New Delhi

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2019

To

The Members

Kinetic Impex Limited

22, Ground Floor, 8 Camac Street,
Kolkata, West Bengal -700 017

I, ShikhaNahata, Practicing Company Secretary, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kinetic Impex Limited(CIN: L51909WB1985PLC039455) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

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

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

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; - Not applicable to the Company during the period of audit
 - The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; - Not applicable to the Company during the period of audit
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - Not applicable to the Company during the period of audit



- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - Not applicable to the Company during the period of audit and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - Not applicable to the Company during the period of audit
- Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008 and Environment (Protection) Act, 1986

(v) Other laws as are applicable to the Company are based on the discussion of the heads of the Department:

- All the Labour laws as applicable to the company;
- All the Environmental laws as applicable to the company.

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

- Secretarial Standards issued by The Institute of Company Secretaries of India;
- The Listing Agreements entered into by the Company with the Calcutta Stock Exchange Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Observations:

- Currently, Company has Two Non-executive director, One Whole Time Director, One Chief Financial Officer and One Company Secretary. However, Company could not appoint any Independent Directors and looking for suitable options.
- The Company has partially complied with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further report that:

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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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.

Shikha Nahata

(Shikha Nahata)

Practicing Company Secretary

ACS No.: 37953

C P No.: 14673

Date: 04.09.2019

Place: Kolkata



Note: This report is to be read with my letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

"ANNEXURE A"

To,
The Members
Kinetic Impex Limited
22, Ground Floor, 8 Camac Street,
Kolkata, West Bengal -700 017

My Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws, rules and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records and procedures followed by the Company with respect to secretarial compliances.
3. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.
4. Wherever required, I have obtained the Management's Representation Letter about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. 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.
6. I have not verified the correctness and appropriateness of financial records and books of account of the Company.



Shikha Nahata

(Shikha Nahata)
Company Secretary
ACS No: 37953
CP No: 14673

Place: Kolkata
Date: 04.09.2019

MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR 2018-19

THE REAL ECONOMY

Over the year gone by i.e., April 2018 to March 2019, macroeconomic and financial conditions underwent pronounced shifts that were largely unanticipated. Global growth, which had accelerated in a broad cyclical upswing through calendar year 2017 right up to the early part of 2018, began to shed momentum thereafter. By the second half of 2018, the weakening of the global expansion had spread across geographies, encircling advanced economies (AEs) and emerging market economies (EMEs) alike in its embrace.

In this environment, real GDP growth in India which had weakened in 2017-18 after peaking in the year before, slid down to a five-year low in 2018-19. The May 2019 release of the National Statistical Office (NSO) confirmed that aggregate demand, measured by year-on-year (y-o-y) growth of GDP at 6.8 per cent in 2018-19, weakened 0.4 percentage points in relation to the preceding year, and 0.3 percentage points below its decennial trend rate of 7.1 per cent. In fact, the GDP growth of 6.2 per cent in H2:2018-19 was the lowest in five years. The slackening of demand in the economy was also evident in the opening of the negative output gap (i.e., deviation of actual output from its potential level) in Q3 and Q4 of 2018-19.

The fiscal deficit of the Government of India, which was 4.5% of GDP in FY 2013-14, has steadily reduced to 3.5% in FY 2017-18 and is further decrease to 3.4% of the GDP in FY 2018-19, according to the Reserve Bank of India ('RBI').

DISCUSSIONS ON FINANCIAL RESULTS

| <i>Particulars</i> | <i>Fiscal Year 2019</i> | | <i>Fiscal Year 2018</i> | | <i>% growth</i> |
|---|-------------------------|---------------------|-------------------------|---------------------|-----------------|
| | <i>in Rs. (Lac)</i> | <i>% of Revenue</i> | <i>in Rs. (Lacs)</i> | <i>% of Revenue</i> | |
| Revenue from Operations & other income | 199.78 | 100 | 152.30 | 100 | 31.17 |
| Employee benefits expenses | 11.57 | 5.79 | 11.54 | 7.58 | 0.26 |
| Operational & Other expenses | 3.63 | 1.82 | 2.67 | 1.75 | 35.95 |
| Earning Before interest, tax, depreciation and amortization (EBITDA) | 184.58 | 92.39 | 138.09 | 90.67 | 33.67 |
| Finance cost | 13.76 | 6.89 | 15.06 | 9.89 | (8.63) |
| Depreciation & amortization expenses | - | 0 | - | 0 | 0 |
| Profit before tax | 170.82 | 85.50 | 123.03 | 80.78 | 38.84 |
| Tax Expense | 44.00 | 22.02 | 24.77 | 16.26 | 77.63 |
| Profit for the year (PAT) | 126.82 | 63.48 | 98.26 | 64.52 | 29.06 |

Analysis of Profit Growth

The growth in Profit in fiscal 2019 was higher than that of fiscal primarily. Our Company records an increase in growth of 29.06% in profit from the last fiscal.

Earnings before interest, tax, depreciation and amortization (EBITDA)

EBITDA in fiscal 2019 is Rs. 184.58 Lacs/- (Rs. 138.09 Lacs in fiscal 2018). There is an increase of 33.67% in EBITDA as a percentage of revenue.

Depreciation and amortization

Depreciation and amortization is Nil.

Profit before tax (PBT)

PBT in fiscal 2019 is Rs. **170.82 lacs** (Rs. **123.03 Lacs** in fiscal 2018). As a percentage of revenue, PBT increased from **80.78%** in fiscal 2018 to **85.50%** in fiscal 2019. The increase of 38.84% is mainly due to (1) increase in EBITDA, and (2) increase in other income and revenue from operations.

Tax expense

Tax expense increased from Rs. 24.77 Lacs in fiscal 2018 to Rs. 44.00 Lacs in fiscal 2019. As a percentage of revenue, it increased from 16.26% in fiscal 2018 to 22.02% in fiscal 2019. The increase in terms of revenue is attributable to increase in PBT.

Profit after tax (PAT)

The Net Profit was Rs. **126.82 Lacs** in fiscal 2019 (**63.48%** of revenue) as compared to Rs. **98.26 Lacs** in fiscal 2018 (**64.52%** of revenue). The increase of 29.06% in terms of revenue is attributable to increase in PBT.

HUMAN RESOURCE DEVELOPMENT AND INDUSTRIAL RELATIONS

The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company considers employees to be the most valuable assets and thus stresses on the importance of employee satisfaction. The hierarchical structure at the Company is kept flat to ensure easy communication between all levels of employees. The Company believes that taking care of human resource is just another way of taking care of business.

Participation by personnel in the working of the Company at all levels is highly encouraged. As the Company is growing fast, staffing is being boosted at all levels of the Company to make an efficient and competitive Executive team.

INTERNAL CONTROL SYSTEM

The Company ensures existence of adequate internal Control through documented Policy & Procedures to be followed by executives at various levels in the organization, while operating managers ensure compliance within their areas.


The framework of internal control systems comprises the well-defined organization structure, authority levels, guidelines/procedures and management reviews. The extensive programs of budgetary control and regular MIS supplement the internal control system. The Audit Committee of the Board regularly reviews and discusses with the Auditors and the Management regarding issues rose in the Audit Reports and all financial matters. It reinforces the impact of internal controls in the Company.


FORWARD LOOKING STATEMENT

Statements in the "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable laws or regulations. These Statements are based on certain assumptions and expectations of future events. Actual results could

differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in Government regulations, tax regimes, economic developments and other factors such as litigation.

**For and on behalf of
KINETIC IMPEX LIMITED**


**(Hulas Mal Surana)
Director
DIN: 00142091**


**(Rajesh Kumar Patawari)
Director
DIN: 08214123**

**Date: 04.09.2019
Place: New Delhi**

Independent Auditor's Report

To the Members of Kinetic Impex Limited
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Kinetic Impex Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

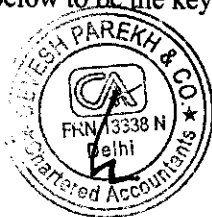
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion


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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



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011-41253699, 011-42635088 

cadeveshparekh@yahoo.com 

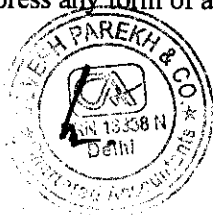
675, Aggarwal Cyber Plaza-II, Netaji Subhash Place, Delhi-110034 

| Key Audit Matters | Auditor's Response |
|---|---|
| <p>Accuracy of recognition, measurement, presentation and disclosures of revenue in view of adoption of Ind AS-115 "revenue from Contracts with Customers" in place of Ind AS-18 "Revenue"</p> <p>The Company recognizes revenue when interest is received or accrued; whichever is earlier as the company deals in money lending activity.</p> <p>For the year ended March 31, 2019, the Company's Statement of Profit & Loss included Interest income of Rs. 164.15 Lakhs.</p> | <p>Principal Audit Procedures</p> <ul style="list-style-type: none"> • We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements. • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements. • We performed a detailed testing on transactions, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized in revenue focusing on unusual or irregular transactions. • We validated the appropriateness and completeness of the related disclosures in Note No. 2(i) of the Standalone financial statements. |

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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



In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

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



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, 2016("the Order"), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.



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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has no pending litigations on its financial position in its standalone financial statements. –
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Devesh Parekh & Co.
Chartered Accountants
Firm's Registration Number: 013338N


Devesh Parekh
Partner
Membership Number: 092160
Place: New Delhi
Date: May 30, 2019



ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

i. In respect of the Company's Property, plant & equipment:

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- (b) The property, plant & equipment have been physically verified by the management according to the programme of periodical verification in phased manner, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its property, plant & equipment. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) The Company does not own any immovable property. Accordingly, the provisions of clause I (c) of the Order are not applicable to the Company and hence not commented upon.

ii. The Company does not have any inventories. Accordingly, the provisions of clause (ii) of the Order are not applicable to the Company and hence not commented upon.

iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraph iii (a) to (c) of the Order are not applicable to the Company.

iv. According to the information, explanations and representations given to us and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of section 185 and 186 of the Act.

v. According to the information and explanations given to us, the Company has not accepted any deposits from its members or from the public during the year under audit within the meaning of section 73 to section 76 or any other relevant provisions of the Companies Act, 2013 & the rules framed there under to the extent notified. Therefore the provisions of clause (v) of the Order are not applicable to the Company and hence not commented upon.

vi. The maintenance of cost Records under section 148(1) of the Act are not applicable to the Company. Accordingly, the provisions of clause (vi) of the Order is not applicable to the Company and hence not commented upon.

vii. (a) According to the information and explanations given to us and on the basis of examination of the records of the Company, the Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, custom duty, cess and any other material statutory dues with the appropriate authorities to the extent applicable and further there were no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2019.

(b) According to the records and information and explanations given to us, there are no dues in respect of income tax, sales tax, service tax, goods and service tax, duty of excise, duty of custom and value added tax as on 31.03.2019 that have not been deposited on account of any dispute.

viii. In our opinion, on the basis of audit procedures and according to the information and explanations



given to us, the Company has not defaulted in repayment of loan or borrowing to any bank.

The Company has not taken any loans or borrowings from the government and financial institution. Further, the Company had not issued any debentures.

- ix. According to the information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purposes for which they were raised.
- x. Based on the audit procedures performed and on the basis of information and explanations provided by the management, no instance of fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi. According to the information and explanations given to us and based on our examination of the records of the company, the provisions of section 197 read with Schedule V to the Companies Act are not applicable to the company. Accordingly, the provisions of clause (xii) of the Companies (Auditor's Report) Order, 2016 (as amended) (the order) is not applicable to the company and hence not commented upon.
- xii. The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with section 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related parties transactions have been disclosed in the standalone financial statements as required by the applicable Accounting standards. (Refer Note 2(1))
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment of shares or private placement of shares or fully / partly convertible debentures during the year in terms of provisions of Sections 42 of the Act.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 as the provisions of the section is not applicable to the Company.

For Devesh Parekh & Co.

Chartered Accountants

Firm's Registration Number: 013338N

Devesh Parekh

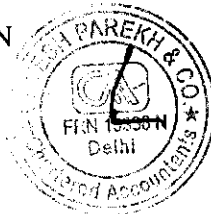
Devesh Parekh

Partner

Membership Number: 092160

Place: New Delhi

Date: May 30, 2019



ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Kinetic Impex Limited of even date)

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

We have audited the internal financial controls with reference to financial statements of **KINETIC IMPEX LIMITED** (“the Company”) as of March 31, 2019 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements 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 Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A Company’s internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A



Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements 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 Devesh Parekh & Co.

Chartered Accountants

Firm's Registration Number: 013338N



Devesh Parekh

Partner

Membership Number: 092160

Place: New Delhi

Date: May 30, 2019



KINETIC IMPEX LTD.

Read Office: 22 Ground Floor, 8 Camac Street, Kolkata - 700017

CIN: L51909WB1985PLC039455

BALANCE SHEET AS AT 31ST MARCH 2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

| | Note | As at March 31, 2019 | As at March 31, 2018 |
|---|------|-------------------------|-------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 0.02 | 0.02 |
| (b) Capital work-in-progress | | - | - |
| (c) Intangible assets | | - | - |
| (d) Intangible assets under development | | - | - |
| (e) Investments in Equity Shares | 4 | - | - |
| (f) Financial assets | | | |
| (i) Investments | 5 | 3,878.79 | 3,597.40 |
| (g) Other non-current assets | | - | - |
| (h) Non-current tax assets (net) | | - | - |
| Total non-current assets | | 3,878.81 | 3,597.42 |
| 2 Current assets | | | |
| (a) Inventories | | - | - |
| (b) Financial Assets | | | |
| (i) Trade receivables | 6 | 2,612.38 | 2,514.33 |
| (ii) Cash and cash equivalents | 7 | 3.25 | 1.56 |
| (iii) Bank balances other than (ii) above | | - | - |
| (iv) Loans | | - | - |
| (v) Other financial assets | | - | - |
| (c) Other current assets | 8 | 54.63 | 75.65 |
| Total current assets | | 2,670.26 | 2,591.54 |
| Total assets | | 6,549.07 | 6,188.96 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 9 | 104.00 | 104.00 |
| (b) Other Equity | 10 | 3,777.85 | 3,443.21 |
| Total equity | | 3,881.85 | 3,547.21 |
| LIABILITIES | | | |
| 1 Non-current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 11 | 2,150.00 | 2,150.00 |
| (b) Provisions | | - | - |
| (c) Deferred tax liabilities (on FVTOCI) | | 360.30 | 287.14 |
| Total non-current liabilities | | 2,510.30 | 2,437.14 |
| 2 Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 12 | 81.09 | 144.38 |
| (b) Provisions | 13 | 68.77 | 52.93 |
| (c) Other current liabilities | 14 | 7.06 | 7.30 |
| Total current liabilities | | 156.92 | 204.61 |
| Total equity and liabilities | | 6,549.07 | 6,188.96 |
| | | (0.00) | - |

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

Summary of Significant Accounting Policies 1 to 2

Notes to Financial Statements 3 to 35

Auditor's Report

As per our separate report of even date annexed herewith

FOR DEVESH PAREKH & CO

Chartered Accountants

DEVESH PAREKH

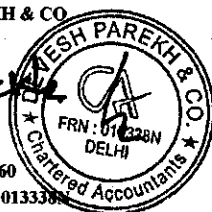
Partner

Membership No.- 092160

Firm Registration No. - 0133388

Place : Delhi

Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

H. M. Surana

(Hulas Mal Surana)

Director

DIN: 00142091

S. K. Kataria

(KLKA)

Company Secretary

Membership No A58266

R. K. Patawari

(Rajesh Kumar Patawari)

Director

DIN: 08214123

S. K. Kataria

(Shashi Kataria)

CFO

PAN: AALPK4837C

KINETIC IMPEX LTD.

Regd. Office: 22 Ground Floor, 8 Camac Street, Kolkata - 700017

CIN: L51909WB1985PLC039455

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH'2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

| | Note | Year ended March 31, 2019 | Year ended March 31, 2018 |
|---|---------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 15 | 164.15 | 151.71 |
| Other Income | 16 | 35.63 | 0.59 |
| Total Income | | 199.78 | 152.30 |
| Expenses | | | |
| Cost of raw material and components consumed | | - | - |
| Purchase of Traded Goods | | - | - |
| Changes in inventories of finished goods, work-in-progress and traded goods | | - | - |
| Employee benefits expense | 17 | 11.57 | 11.54 |
| Finance Costs | 18 | 13.76 | 15.06 |
| Depreciation and amortization expense | | - | - |
| Other expenses | 19 | 3.63 | 2.67 |
| Total expenses | | 28.96 | 29.27 |
| Profit before tax | | 170.82 | 123.03 |
| Tax Expenses | | | |
| - Current Tax | | 44.00 | 24.77 |
| - Income Tax-Earlier Year | | - | - |
| Total Tax Expenses | | 44.00 | 24.77 |
| Profit for the period | | 126.82 | 98.26 |
| Other comprehensive income | | | |
| Items that will not be reclassified to profit or loss | 20 | | |
| Changes in fair value of FVTOCI equity instruments | | 281.39 | 604.25 |
| Income tax relating to these items | | (73.16) | (155.59) |
| Other comprehensive income for the period (net of tax) | | 208.23 | 448.66 |
| Total comprehensive income for the period (net of tax) | | 335.05 | 546.92 |
| Earnings per equity share | | | |
| Basic earnings per share (INR) | 23 | 12.19 | 9.45 |
| Diluted earnings per share (INR) | | 12.19 | 9.45 |
| The accompanying notes are an integral part of the financial statements. | | | |
| Summary of Significant Accounting Policies | 1 to 2 | | |
| Notes to Financial Statements | 3 to 35 | | |

Auditor's Report

As per our separate report of even date annexed herewith

For DEVESH PAREKH & CO.

Chartered Accountants

DEवेश PAREKH

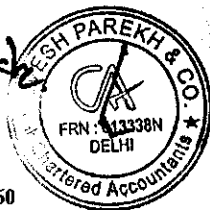
Partner

Membership No.- 092160

Firm Registration No. - 013338N

Place : Delhi

Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

H. M. Surana
(Hulas Mal Surana)
Director
DIN: 00142091

Rajesh Kumar Patawari
(Rajesh Kumar Patawari)
Director
DIN: 08214123

Asha Katyal
(Shashi Katyal)
Company Secretary
Membership No A58266

Shashi Katyal
(Shashi Katyal)
CFO
PAN: AALPK4837C

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**1. Corporate Information**

Kinetic Impex Limited ("The Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company were listed in India on the Kolkata Stock Exchange Limited.. The registered office of the Company is located at 8, Camac Street, Kolkata-700017. The Company is engaged in the business of Financing. The Company caters to both domestic markets only.

The financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2019.

2. Significant accounting policies**2.1 Basis of preparation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). The financial statements for the year ended March 31, 2018 were the first financial statements of the Company prepared in accordance with Ind AS and these financial statements are also prepared in accordance with Ind AS for the year ended March 31, 2019.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount

- (a) Derivative financial instruments

The financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest lacs, except when otherwise indicated

2.2. Summary of significant accounting policies**(a) Current versus non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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



KINETIC IMPEX LIMITED

Regd. Office: 22, Ground Floor, 8 Camac Street, Kolkata WB 700017

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities

(b) Revenue recognition

In March 2018, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contracts with Customers', which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'.

The core principle of Ind AS 115 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is stated inclusive of custom duty and excludes sales tax/ value added tax (VAT) / Goods and Service Tax (GST).

The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

Income from services are recognized as and when the services are rendered.

Interest income

For all financial instruments measured either at amortised cost or fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(c) Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.



KINETIC IMPEX LIMITED

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(d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(e) Fair value measurement

The Company measures financial instruments, such as, derivatives and equity investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

(f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(g) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.



- **Contingent liabilities**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

- **Contingent Assets**

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(h) **Cash and cash equivalents**

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

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(i) **Taxes**

- **Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- **Deferred tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- b) In respect of taxable temporary differences associated with interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable



KINETIC IMPEX LIMITED

Regd. Office: 22, Ground Floor, 8 Camac Street, Kolkata WB 700017

profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (in other comprehensive income). Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss or in OCI.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the period.

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

(k) Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Company is engaged in only finance activities and as such, segment reporting on account of primary and secondary segments is not required.

(l) Standards issued but not yet effective

"Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group has not applied as they are effective from April 1, 2019:

Ind AS -12 Income taxes:

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12.



KINETIC IMPEX LIMITED

Regd. Office: 22, Ground Floor, 8 Camac Street, Kolkata WB 700017

Ind AS 109 – Prepayment Features with Negative Compensation

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

Ind AS 19 – Plan Amendment, Curtailment or Settlement

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.

Ind AS 23 – Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalization rate on general borrowings.

Ind AS 28 – Long-term Interests in Associates and Joint Ventures

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied.

Ind AS 103 – Business Combinations and Ind AS 111 - Joint Arrangements

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business.

The Company is evaluating the requirements of the amendments and its effect on the Financial Statements.”



KINETIC IMPEX LIMITED**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019**

(All amounts in INR in 'Lacs', unless mentioned otherwise)

(A) Equity share capital (Refer note 9)

| Particulars | Amount |
|---------------------------------|--------|
| As at April 1, 2018 | 104.00 |
| Changes in equity share capital | - |
| As at March 31, 2019 | 104.00 |

(B) Other equity (Refer note 10)

| Particulars | Reserves and surplus | | | Other reserves |
|---|----------------------|----------------------------|-----------------|-------------------------------------|
| | Retained earnings | Securities premium reserve | General reserve | FVTOCI reserve - equity instruments |
| Balance at March 31, 2018 | 469.10 | - | - | 3,310.26 |
| Profit for the year | 126.82 | - | - | - |
| Other comprehensive income | - | - | - | 208.23 |
| Total comprehensive income for the period | 126.82 | - | - | 208.23 |
| Dividend paid during the year | - | - | - | - |
| Tax on Dividend paid | - | - | - | - |
| Provision for tax of earlier year paid | (0.41) | - | - | - |
| Balance at March 31, 2019 | 595.51 | - | - | 3,518.48 |

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

Summary of Significant Accounting Policies

Notes to Financial Statements

1 to 2

3 to 35

Auditor's Report

As per our separate report of even date annexed herewith

For DEVESH PAREKH & CO.

Chartered Accountants

DEवेश PAREKH

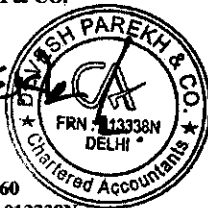
Partner

Membership No.- 092160

Firm Registration No. - 013338N

Place : Delhi

Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

(Hulas Mal Surana)

Director

DIN: 00142091

(ALKA)

Company Secretary

Membership No A58266

(Rajesh Kumar Patawari)

Director

DIN: 08214123

(Shashi Katyal)

CFO

PAN: AALPK4837C

KINETIC IMPEX LTD.
 Notes to financial statements for the year ended March 31, 2019
 (All amounts in INR in 'Lacs', unless mentioned otherwise)

**3 Property, plant and equipment and capital work-in-progress
 Property, plant and equipment**

| Description of Assets | GROSS CARRYING AMOUNT | | | ACCUMULATED DEPRECIATION | | NET CARRYING AMOUNT | |
|-----------------------|------------------------------|----------|-------------------|------------------------------|------------------------------|---------------------------|------------------------------|
| | Balance as at April 01, 2018 | Addition | Sale / Adjustment | Balance as at March 31, 2019 | Balance as at April 01, 2018 | Depreciation for the year | Balance as at March 31, 2019 |
| Computers | 0.62 | - | - | 0.62 | 0.60 | Disposal / adjustments | 0.60 |
| Total | 0.62 | - | - | 0.62 | 0.60 | - | 0.02 |



Kinetic Impex Limited

Notes to financial statements for the year ended March 31, 2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

4 Investment in Shares Of Group Companies

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Investment in unquoted equity shares - Fully paid-up - At cost As per detail Attached | | |
| Total | | |
| Financial assets - non-current | | |

5 Investments

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Investments stated at Fair Value through OCI | | |
| Investments in equity instruments - Un Quoted (fully paid) As Per Detail attached | 3,878.79 | 3,597.40 |
| Total | 3,878.79 | 3,597.40 |
| Aggregate book value of Unquoted investments | 3,878.79 | 3,597.40 |
| Aggregate market value of quoted investments | - | - |



| Non Current Investments INVESTMENTS (In equity shares) | Face Value per unit | No. of shares (current yr.) | No. of shares (Prev. yr.) | 31.03.2019 | 31.03.2018 | 31.03.2019 | 31.03.2018 |
|---|---------------------------|-----------------------------------|---------------------------------|-------------------|-------------------|----------------------------------|--------------------|
| | | | | Total Cost (Rs.) | | cost as per book value of shares | |
| | | | | | | 31.03.2019 | 31.03.2018 |
| (a) Un-Quoted Equity Shares | | | | | | | |
| Ashulok Steel Traders (P) Ltd. | Rs. 10 | 21,600 | 21,600 | 216,000 | 216,000 | 812,376 | 422,928 |
| Bhadani Financers (P) Ltd. | Rs. 10 | 30,000 | 30,000 | 2,013,000 | 2,013,000 | 3,399,600 | 3,162,000 |
| Dependable Consumable Goods (P) Ltd. | Rs. 10 | 16,500 | 16,500 | 264,000 | 264,000 | 507,045 | 509,355 |
| High Image Plastic Traders (P) Ltd. | Rs. 10 | 12,000 | 12,000 | 120,000 | 120,000 | 484,920 | 487,800 |
| KLJ Developers (P) Ltd. | Rs. 10 | 296,100 | 296,100 | 15,236,000 | 15,236,000 | 67,282,803 | 65,500,281 |
| KLJ Organic Limited | Rs. 10 | 990,000 | 990,000 | 1,584,000 | 1,584,000 | 228,521,700 | 204,662,700 |
| KLJ Plastics Ltd. | Rs. 10 | 20,000 | 20,000 | 200,000 | 200,000 | 1,637,618 | 171,120 |
| KLJ Polymers & Chemicals Ltd. | Rs. 10 | 72,000 | 72,000 | 20,000 | 20,000 | 13,321,440 | 12,622,320 |
| Pragati Imports (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,064,950 | 3,055,050 |
| Pragati Imtrade (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,066,300 | 3,056,400 |
| Pragati Tradecom (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,067,200 | 3,056,850 |
| Prithvi Sound Products Co.(P) Ltd. | Rs. 100 | 5,875 | 5,875 | 3,662,000 | 3,662,000 | 53,507,973 | 46,258,105 |
| Sunny IT Infrasoftware (P) Ltd. | Rs. 10 | 760,000 | 760,000 | - | 7,600,000 | - | 7,600,000 |
| Swastik Tradex (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,069,450 | 3,059,550 |
| Swastik Tracom (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,069,450 | 3,059,550 |
| Swastik Exports & Imports (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,065,850 | 3,055,950 |
| Total | | | | 26,015,000 | 33,615,000 | 387,878,675 | 359,739,959 |
| | | | | 100,000 | Rs. In lac | 3,878.79 | 3,597.40 |



Financial assets – current

6 Trade Receivables

| Particulars | As at | As at |
|------------------------------------|-----------------|-----------------|
| | March 31, 2019 | March 31, 2018 |
| Trade receivables | 2,612.38 | 2,514.33 |
| Less: Allowance for doubtful debts | - | - |
| Total | 2,612.38 | 2,514.33 |
| Current portion | 2,612.38 | 2,514.33 |
| Non-current portion | - | - |
| Breakup of security details | | |
| Secured, considered good | - | - |
| Unsecured, considered good | 2,612.38 | 2,514.33 |
| Doubtful | - | - |
| Subtotal | 2,612.38 | 2,514.33 |
| Allowance for doubtful debts | - | - |
| Total | 2,612.38 | 2,514.33 |

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

- Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days.

- For explanations on the Company's credit risk management processes, refer note 28

7 Cash and cash equivalents

| Particulars | As at | As at |
|---------------------|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Balances with banks | | |
| On current accounts | 2.76 | 0.88 |
| Cash in hand | 0.49 | 0.68 |
| Total | 3.25 | 1.56 |

8 Other current assets

| Particulars | As at | As at |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| (Unsecured, considered good unless otherwise stated) | | |
| Balances with government authorities | 54.63 | 75.65 |
| Total | 54.63 | 75.65 |

9 Equity share capital

| Authorised share capital | Number of shares | INR |
|-------------------------------------|---------------------|---------------|
| | As at April 1, 2018 | 1,040,000 |
| Increase/(decrease) during the year | - | - |
| At March 31, 2019 | 1,040,000 | 104.00 |

Issued equity share capital

| Equity shares of INR Rs. 10 each issued, subscribed and fully paid. | Number of shares | INR |
|---|---------------------|---------------|
| | As at April 1, 2018 | 1,040,000 |
| Increase/(decrease) during the year | - | - |
| At March 31, 2019 | 1,040,000 | 104.00 |

(a) Rights, preferences and restrictions attached to shares :

The company has only one class of equity shares having face value of INR 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

(b) The details of Shareholders holding more than 5% shares:

| Name of the Shareholder | As at March 31, 2019 | | As at March 31, 2018 | |
|------------------------------------|----------------------|--------|----------------------|--------|
| | Number of Shares | % Held | Number of Shares | % Held |
| Sh. K. L. Jain | 152500 | 14.66 | 152500 | 14.66 |
| Smt. Sushila Patavari | 59000 | 5.67 | 59000 | 5.67 |
| Sh. Hemant Jain | 157500 | 15.14 | 157500 | 15.14 |
| Sh. Kamal Jain | 169400 | 16.29 | 169400 | 16.29 |
| Sh. Pushp Jain | 149700 | 14.39 | 149700 | 14.39 |
| M/s KLJ Polymers & Chemicals Ltd. | 100000 | 9.62 | 100000 | 9.62 |
| M/s Mangalshree Suppliers (P) Ltd. | 100000 | 9.62 | 100000 | 9.62 |
| M/s Siddhishree Vincom (P) Ltd. | 100000 | 9.62 | 100000 | 9.62 |



10 Other equity
a) Reserves and surplus

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-----------------------------------|-------------------------|-------------------------|
| Retained earnings | 595.51 | 469.10 |
| Total reserves and surplus | 595.51 | 469.10 |

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|----------------------------------|-------------------------|-------------------------|
| (i) Retained Earnings | | |
| Opening balance | 469.10 | 370.84 |
| Profit for the year | 126.82 | 98.26 |
| Income tax provision of Fy 17-18 | (0.41) | |
| Closing balance | 595.51 | 469.10 |

b) Other reserves

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-------------------------------------|-------------------------|-------------------------|
| FVTOCI reserve - equity instruments | 3,182.34 | 2,974.11 |
| Total other reserves | 3,182.34 | 2,974.11 |

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| i) FVTOCI reserve - equity instruments | | |
| Opening balance | 3,310.26 | 2,861.60 |
| Change in fair value of FVTOCI equity instruments | 208.23 | 448.66 |
| Closing balance | 3,518.48 | 3,310.26 |

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in Note 28

Nature and purpose of reserves

FVTOCI equity investments - The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The company transfers amounts from this reserve within equity when the relevant equity securities are derecognised.

Financial liabilities - Non Current

11 Borrowings

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Unsecured | | |
| Advance from Companies - Inter Corporate Deposit | 2,150.00 | 2,150.00 |
| Total | 2,150.00 | 2,150.00 |



Financial Liabilities - Current**12 Borrowings**

| Particulars | Maturity date | Interest rate | As at | As at |
|----------------------------|---------------|---------------|----------------|----------------|
| | | | March 31, 2019 | March 31, 2018 |
| Unsecured | | | | |
| Loans repayable on demand | | | | |
| -from Associated Companies | On demand | - | 81.09 | 144.38 |
| Total | | | 81.09 | 144.38 |

13 Short term provisions

| Particulars | As at | As at |
|--------------------------|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Provision for Income Tax | 68.77 | 52.93 |
| Total | 68.77 | 52.93 |

14 Other current Liabilities

| Particulars | As at | As at |
|-----------------|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Expense Payable | 3.21 | 2.59 |
| Statutory dues | 3.85 | 4.71 |
| Total | 7.06 | 7.30 |



Kinetic Impex Limited
Notes to financial statements for the year ended March 31, 2019
 (All amounts in INR in 'Lacs', unless mentioned otherwise)

| 15 Revenue from operations | | |
|-----------------------------------|--------------------------------------|--------------------------------------|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Finance Activity | | |
| Interest | 164.15 | 151.71 |
| | 164.15 | 151.71 |

| 16 Other Income | | |
|--|--------------------------------------|--------------------------------------|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Interest income | 7.71 | |
| Dividend income from equity investments designated at fair value through other comprehensive income* | 2.65 | 0.59 |
| Profit On Sale of Shares | 25.27 | - |
| Total other income | 35.63 | 0.59 |

| 17 Employee benefit expenses | | | |
|--|-------------|--------------------------------------|--------------------------------------|
| Particulars | Note | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Salaries, wages and bonus | | 11.12 | 11.10 |
| Staff welfare expenses | | 0.45 | 0.44 |
| Total employee benefit expenses | | 11.57 | 11.54 |

| 18 Finance costs | | |
|----------------------------|--------------------------------------|--------------------------------------|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Interest (Others) | 13.74 | 15.04 |
| Other borrowings costs | | |
| Bank charges | 0.02 | 0.02 |
| Total finance costs | 13.76 | 15.06 |

| 19 Other expenses | | | |
|-----------------------------|-------------|--------------------------------------|--------------------------------------|
| Particulars | Note | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Listing Fee | | 0.30 | 0.35 |
| Printing and Stationery | | - | 0.01 |
| Rates and taxes | | 0.38 | 0.09 |
| Legal and Professional Fees | | 0.95 | 0.26 |
| Payment to Auditors | | 0.34 | 0.25 |
| Rent | | 1.42 | 1.41 |
| Miscellaneous Expenses | | 0.24 | 0.30 |
| Subtotal (c) | | 3.63 | 2.67 |

| 19(a) Details of payment to auditors (excluding taxes) | | |
|---|--------------------------------------|--------------------------------------|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 |
| As auditor | | |
| Statutory Audit Fees | 0.34 | 0.25 |
| Tax Audit Fees | - | - |
| Total | 0.34 | 0.25 |



20 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2018

| | FVTOCI reserve | Retained earnings | Total |
|--|---------------------------|--------------------------|---------------|
| Gain/(loss) on FVTOCI financial assets | 262.43 | - | 262.43 |
| Total | 262.43 | - | 262.43 |

During the year ended March 31, 2019

| | FVTOCI reserve | Retained earnings | Total |
|--|---------------------------|--------------------------|---------------|
| Gain/(loss) on FVTOCI financial assets | 208.23 | - | 208.23 |
| Total | 208.23 | - | 208.23 |



21 Significant estimates, judgements and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.



Note 22 Earnings per Share:

| Particulars | For the year ended 31st | For the year ended 31st |
|------------------------------|-------------------------|-------------------------|
| | March 2019 | March 2018 |
| | (Rs. per share) | (Rs. per share) |
| Basic EPS | | |
| From continuing operation | 12.19 | 9.45 |
| From discontinuing operation | - | - |
| Diluted EPS | | |
| From continuing operation | 12.19 | 9.45 |
| From discontinuing operation | - | - |

Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

| Particulars | For the year ended 31st | For the year ended 31st |
|---|-------------------------|-------------------------|
| | March 2019 | March 2018 |
| | (Amount in Lakhs) | (Amount in Lakhs) |
| Profit attributable to equity holders of the company: | | |
| Continuing operations | 126.82 | 98.26 |
| Discontinuing operations | - | - |
| Earnings used in calculation of Basic Earning Per Share | 126.82 | 98.26 |

Weighted average number of shares for the purpose of basic earnings per share

1,040,000

Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

| Particulars | For the year ended 31st | For the year ended 31st |
|--|-------------------------|-------------------------|
| | March 2019 | March 2018 |
| | (Amount in Lakhs) | (Amount in Lakhs) |
| Profit attributable to equity holders of the company: | | |
| Continuing operations | 126.82 | 98.26 |
| Discontinuing operations | - | - |
| Earnings used in calculation of diluted Earning Per Share from continuing operations | 126.82 | 98.26 |

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic



| Particulars | For the year ended 31st | |
|--|-------------------------|------------|
| | March 2019 | March 2018 |
| Weighted average number of Equity shares used in calculation of basic earnings per share | 1,040,000 | 1,040,000 |
| Effect of dilution: | | |
| Share Options | - | - |
| Weighted average number of Equity shares used in calculation of diluted earnings per share | 1,040,000 | 1,040,000 |

Note 23 Related Party disclosures as required by Ind-AS 24 "Related party Disclosure"

Key Management Personnel:

- Mr. Hulas Mal Surana, Director
- Mr. Vinay Nahata, Director
- Mr Rajesh Kumar Patawari, Director
- Ms Alka Soni, Company Secretary
- Ms Sashi Katyal, CFO

Enterprises over which key management personnel and their relatives have control / significant influence:

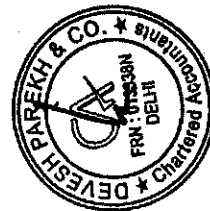
1. KLJ Organic Ltd.
2. KLJ Developers (P) Ltd.
3. Inspiration Dealers Pvt. Ltd.
4. Virmani Industries Pvt. Ltd.
5. KLJ Realtech Pvt. Ltd.
6. Siddhishree Vincom Pvt. Ltd.
7. Mangalshree Suppliers Pvt. Ltd.
8. Bhadani Financers Pvt Ltd

Disclosure of transactions with related parties: As per separate sheet attached



Transactions during the year with related parties

| Name of Related Parties | Relationship | Nature of Transaction | Dr./ (Cr.) Balance as on 31.03.18 | Paid/ Adj during the year | Paid/ Adj Previous year | Received / Adj during the year | Received/ Adj Previous year | Dr./ (Cr.) Balance as on 31.03.19 |
|-------------------------------|-------------------|-----------------------------|-----------------------------------|---------------------------|-------------------------|--------------------------------|-----------------------------|-----------------------------------|
| KLJ Organic Ltd | Associate Concern | Loan Recd Interest paid | 1,215,212 - | 2,000,000 69,042 | 900,000 239,124 | 3,277,350 6,904 | 1,000,000 23,912 | - |
| Inspiration Dealers Pvt Ltd | Associate Concern | Loan Recd Interest paid | 6,067,428 - | 3,800,000 577,802 | 400,000 143,072 | 10,387,450 57,780 | 100,000 14,307 | - |
| Virmami Industries Pvt Ltd | Associate Concern | Loan Recd Interest paid | 2,670,293 - | 200,000 265,317 | 3,230 230,654 | 250,000 26,532 | 253,230 23,065 | 2,859,078 |
| KLJ Developers Pvt Ltd | Associate Concern | Loan Given Interest Recd | 64,027,244 - | 10,000,000 5,446,401 | 53,500,000 6,008,351 | 36,300,000 544,640 | 123,700,000 600,835 | 42,629,005 |
| KLJ Realtech Pvt Ltd | Associate Concern | Loan Given Interest Recd | 12,058,021 - | 36,500,000 2,926,537 | 33,700,000 2,585,386 | 10,000,000 292,654 | 53,500,000 258,539 | 41,191,904 |
| Mangalshree Suppliers Pvt Ltd | Associate Concern | Loan Given Interest Recd | 876,061 - | 25,000 83,147 | - 81,679 | 200,000 8,315 | 200,000 8,168 | 775,893 |
| Siddhishree Vincom Pvt Ltd | Associate Concern | Loan Recd Interest Paid | 4,485,353 - | 350,000 460,426 | - 411,500 | 46,043 | - 41,150 | 5,249,736 |
| Bhadani Financers Pvt Ltd | Associate Concern | Loan Recd Interest Paid | 75636278 - | 5648430 7958501 | - | 10648430 795850 | - | 77,798,929 |



24 Contingent liabilities - NIL (As confirmed and certified by the management)

25 The Balances shown under the head Trade Receivables and Trade Payables are subject to confirmation and reconciliations. However, the Company has initiated the process of obtaining confirmations from trade receivables and payables.

26 Amount due to Micro & Small enterprises under MSMED Act, 2006 is INR 0 (March 31, 2018: 825.86). There are no overdue amounts payable to Micro, Small and Medium enterprises as required by Micro, Small & Medium Enterprises Development Act, 2006, as on the Balance Sheet date to the extent such enterprises have been identified based on information available with the company. In view of this there is no overdue interest payable.

There is no reportable segment due to quantitative thresholds as per Ind AS 108.

No amounts are due for deposits at the Balance Sheet date to the Investor Education and Protection Fund.



Note: - 27 Capital management

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholder through optimization of the debt and equity balance. The capital structure of the company comprises of debt and total equity of the company.

| Particulars | (Amount in Lakhs) | |
|---------------------------|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Borrowings | 2,231.09 | 2,294.38 |
| Short term debt | 2,231.09 | 2,294.38 |
| Equity (Note No.9) | 104.00 | 104.00 |
| Other equity (Note No.10) | 595.51 | 469.10 |
| Total equity | 699.51 | 573.10 |
| Debt equity Ratio | 3.19 | 4.00 |

Note 28 :Fair Value measurements

(i) Financial Instruments by Category

| Particulars | As at 31st March, 2019 | | | As at 31st March, 2018 | | |
|------------------------------------|------------------------|----------|-----------------|------------------------|----------|-----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Cash and Cash Equivalents | - | - | 3.25 | - | - | 1.56 |
| Other Financial Assets | - | - | - | - | - | - |
| Total Financial Assets | - | - | 3.25 | - | - | 1.56 |
| Financial Liabilities | | | | | | |
| Borrowings | - | - | 2,231.09 | - | - | 2,294.38 |
| Total Financial Liabilities | - | - | 2,231.09 | - | - | 2,294.38 |

i) The carrying amounts of cash and cash equivalents which are due to be settled within 12 months are considered to the same as their fair values, due to short term nature.

ii) Short term borrowings are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount. As the amount is immaterial, no fair valuation is required.

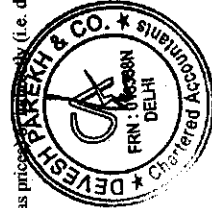
(ii) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost:-



| Particulars | (Amount in Lakhs) | | |
|------------------------------------|-------------------|---------|-------------|
| | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | |
| Financial assets at Amortised Cost | | | |
| Cash & Cash Equivalents | - | - | 3.25 |
| Other Financial Assets | - | - | - |
| | - | - | 3.25 |
| | | | 3.25 |

| Particulars | (Amount in Lakhs) | | |
|---|-------------------|---------|-----------------|
| | Level 1 | Level 2 | Level 3 |
| Financial Liabilities | | | |
| Financial Liabilities at Amortised Cost | | | |
| Borrowings | - | - | 2,231.09 |
| | - | - | 2,231.09 |
| | | | 2,231.09 |

| Particulars | (Amount in Lakhs) | | |
|------------------------------------|-------------------|---------|-------------|
| | Level 1 | Level 2 | Level 3 |
| Financial Assets | | | |
| Financial assets at Amortised Cost | | | |
| Cash & Cash Equivalents | - | - | 1.56 |
| Other Financial Assets | - | - | - |
| | - | - | 1.56 |
| | | | 1.56 |

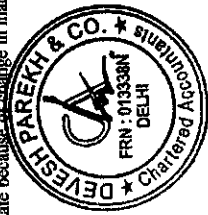
| Particulars | (Amount in Lakhs) | | |
|---|-------------------|---------|-----------------|
| | Level 1 | Level 2 | Level 3 |
| Financial Liabilities | | | |
| Financial Liabilities at Amortised Cost | | | |
| Borrowings | - | - | 2,294.38 |
| | - | - | 2,294.38 |
| | | | 2,294.38 |

(iii) **Financial risk management**
The Company's principal financial liabilities comprise only Borrowings. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations.

The Company's is expose to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:-

a) **Market Risk**
Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowings.

i) **Interest Rate Risk**
Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate, the company performs a comprehensive corporate interest rate risk management. The company is not exposed to significant interest rate risk as at the respective reporting dates.



ii) Foreign Currency Risk

There are no foreign exchange transactions undertaken by the company hence, company is not exposed to foreign currency risk.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is not exposed to credit risk from its financial activities at present there are no receivables outstanding in books from other than associate concerns.

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

c) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation.

The company's principal sources of liquidity are cash and cash equivalents and the borrowings from associate concerns only. The company has no bank borrowings.



Kinetic Impex Limited

Notes to financial statements for the year ended March 31, 2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

29 Fair valuation of investments

Under Previous GAAP, the Company recognised long-term investments in equity shares at cost less provision for diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI and measured them at fair value through Other comprehensive income. This has increased total equity by INR 281.39 as at March 31, 2019 (April 1, 2018 - INR 3597.407). Other comprehensive income for the year ended March 31, 2019 increased by INR 208.23 (net of tax impact of INR 73.16).

30 Other comprehensive income

Under Previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Items of income and expense that are recognised in "other comprehensive income" consists of fair value gains or (losses) on FVTOCI equity instruments. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

31 Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

32 Statement of cash flows

Cash Flow statement has been prepared under indirect method as set out in Accounting Standard 3 on cash flow issued by the ICAI.

33 Lease Arrangements

Company does not have any lease arrangements either in capacity of lessor or lessee.

34 The previous years figures have been regrouped and reclassified, to the extent necessary, to conform to the current years figures.

35 Approval of financial statement

The financial statements were approved for issue by the Board of Directors on 30th May, 2019

Auditor's Report

As per our separate report of even date annexed herewith

FOR DEVESH PAREKH & CO.
Chartered Accountants

DEVEESH PAREKH
Partner
Membership No.- 092160
Firm Registration No. - 013338N
Place : Delhi
Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

D. M. Surana
(Hulas Mal Surana)
Director
DIN: 00142091
Shashi Katyal
(A.K.A)
Company Secretary
Membership No A58266

Rajesh Kumar Patawari
(Rajesh Kumar Patawari)
Director
DIN: 08214123
Shashi Katyal
(Shashi Katyal)
CFO
PAN: AALFK4837C

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2019

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| (A) Cash Flow From Operating Activities | | |
| Net profit before tax | 170.82 | 123.03 |
| Adjustment on account of | | |
| - Depreciation | - | - |
| - (Profit)/ Loss on Sale of Assets | - | - |
| - Miscellaneous Expenses | - | - |
| - Interest Income | 7.71 | 0.59 |
| - Dividend Income | 2.65 | - |
| - Interest Expenses | 13.76 | 15.06 |
| - Provision for impairment of trade receivables | - | - |
| - Derivative (gain) / loss | - | - |
| - Earlier year tax provision | (0.41) | - |
| Operating Profit Before Working Capital Changes | 194.53 | 138.68 |
| Adjustments for | | |
| - (Increase)/Decrease in security deposits | - | - |
| - (Increase)/Decrease in inventories | - | - |
| - (Increase)/Decrease in trade receivables | (98.05) | 67.77 |
| - (Increase)/Decrease in loans | - | - |
| - (Increase)/Decrease in other financial assets | - | - |
| - (Increase)/Decrease in other current assets | 21.02 | (28.68) |
| - (Increase)/Decrease in provisions | 15.84 | - |
| - Increase/(Decrease) in trade payables | - | - |
| - Increase/(Decrease) in other financial liabilities | - | - |
| - Increase/(Decrease) in other current liabilities | (0.24) | (1.91) |
| Cash generated from operations | 133.10 | 175.86 |
| Less: Income tax paid | 44.00 | - |
| Net Cash Flow from Operating Activities (A) | 89.10 | 175.86 |
| (B) Cash Flow From Investing Activities | | |
| - Addition to property, plant and equipment and intangible assets | - | - |
| - Proceeds from sale of property plant and equipment | - | - |
| - Interest received | (7.71) | - |
| - Proceeds from / (investment in) bank deposits | - | - |
| - Dividends received | (2.65) | (0.59) |
| Net Cash Flow used in Investing Activities (B) | (10.36) | (0.59) |
| (C) Cash Flow From Financing Activities | | |
| - Repayment of Short Term Borrowings | (63.29) | (163.47) |
| - Proceeds/(Repayment) from/of short term borrowings | - | - |
| - Interest paid | (13.76) | (15.06) |
| - Dividend paid | - | - |
| Net Cash Flow (used in) / from Financing Activities (C) | (77.05) | (178.53) |
| Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C) | 1.69 | (3.26) |
| Cash and Cash Equivalents at the beginning of the year | 1.56 | 4.82 |
| Cash and Cash Equivalents at the end of the year | 3.25 | 1.56 |

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

| | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Balances with banks | | |
| On current accounts | 2.76 | 0.88 |
| Cash on hand | 0.49 | 0.68 |
| Total cash and cash equivalents | 3.25 | 1.56 |

Amendments to Ind AS 7 Statement of cash flows

The amendments require company to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The amendments are effective for annual periods beginning on or after April 1, 2017. Therefore, the Company has not provided comparative information of preceding period.



KINETIC IMPEX LIMITED

CIN: L51909WB1985PLC039455

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2019

| Particulars | As at April 1, 2018 | Non cash change | | As at March 31, 2019 |
|---|---------------------|-----------------|--------------------------------|----------------------|
| | | Cash flows | Unrealised exchange difference | |
| Long term borrowings (including current maturities) | 2,150.00 | - | - | 2,150.00 |
| Short term borrowings | 144.38 | (63.29) | - | 81.09 |
| | 2,294.38 | (63.29) | - | 2,231.09 |

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

Summary of Significant Accounting Policies

Notes to Financial Statements

Auditor's Report

As per our separate report of even date annexed herewith

1 to 2

3 to 35

FOR DEVESH PAREKH & CO.

Chartered Accountants

DEVESH PAREKH

Partner

M No.- 092160

Firm Registration No. - 013338N

Place : Delhi

Date: May 30, 2019

**FOR AND ON BEHALF OF THE BOARD**
(Hulas Mal Surana)

Director

DIN: 00142091

(Rajesh Kumar Patawari)

Director

DIN: 08214123

(ALRA)
Company Secretary
Membership No A58266
(Shashi Katyal)
CFO
PAN: AALPK4837C

Independent Auditor's Report

To the Members of Kinetic Impex Limited
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Kinetic Impex Limited** ("the Company"), and its Associates- **Ashulok Steel Traders Private Limited, Dependable Consumable Goods Private Limited and High Image Plastic Traders Private Limited** ("collectively referred to as 'Group'") which comprise the Consolidated Balance Sheet as at March 31, 2019, the Statement of consolidated Profit and Loss (including other comprehensive income), the consolidated Statement of Changes in Equity and the statement of Consolidated Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

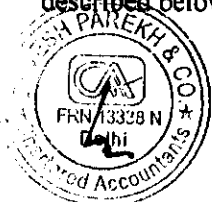
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2019, the consolidated profit and total comprehensive income, changes in equity and its consolidated cash flows for the year ended on that date.


Basis for Opinion


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

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.



9868203484 

011-41253699, 011-42635088 

cadeveshparekh@yahoo.com 

675, Aggarwal Cyber Plaza-II, Netaji Subhash Place, Delhi-110034 

| Key Audit Matters | Auditor's Response |
|--|--|
| <p>Accuracy of recognition, measurement, presentation and disclosures of revenue in view of adoption of Ind AS-115 "revenue from Contracts with Customers" in place of Ind AS-18 "Revenue"</p> <p>The Company recognizes revenue when interest is received or accrued; whichever is earlier as the company deals in money lending activity and its associates have not commenced operations.</p> <p>For the year ended March 31, 2019, the Company's Statement of Profit & Loss included Interest income of Rs. 164.15 Lakhs.</p> | <p><u>Principal Audit Procedures</u></p> <ul style="list-style-type: none"> • We performed process walkthrough to understand the adequacy and the design of the revenue cycle. We tested internal controls in the revenue and trade receivables over the accuracy and timing of revenue accounted in the financial statements. • Understanding the policies and procedures applied to revenue recognition, as well as compliance thereof, including an analysis of the effectiveness of controls related to revenue recognition processes employed by the Company. • We reviewed the revenue recognition policy applied by the Company to ensure its compliance with Ind-AS 115 requirements. • We performed a detailed testing on transactions, ensuring revenues were recognized in the correct accounting period. We also tested journal entries recognized in revenue focusing on unusual or irregular transactions. • We validated the appropriateness and completeness of the related disclosures in Note No. 2(l) of the Consolidated financial statements. |

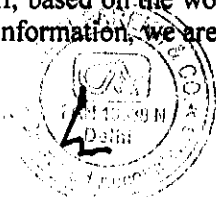
Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, total comprehensive income, changes in equity and consolidated cash flows of the Company in accordance with 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

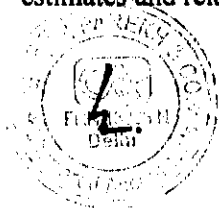
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditor. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the directions, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

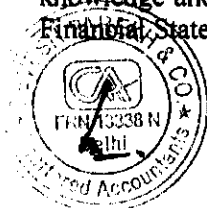
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 Section 143(3) of the Act, based on our audit, we report that:

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



- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books.
- c) The consolidated Balance Sheet, the consolidated Statement of Profit and Loss including Other Comprehensive Income, consolidated Statement of Changes in Equity and the Statement of consolidated Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has no pending litigations on its financial position in its consolidated financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Devesh Parekh & Co.
Chartered Accountants
Firm's Registration Number: 013338N

Devesh Parekh



Devesh Parekh
Partner
Membership Number: 092160
Place: New Delhi
Date: May 30, 2019

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Kinetic Impex Limited of even date)

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

We have audited the internal financial controls with reference to the consolidated financial statements of **KINETIC IMPEX LIMITED** as of March 31, 2019 in conjunction with our audit of the consolidated 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

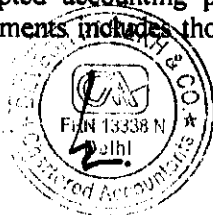
Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to financial statements

A Company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in



reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 Limitations of Internal Financial Controls with reference to the consolidated financial statements

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

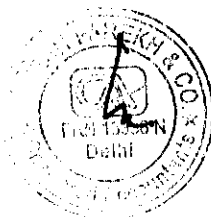
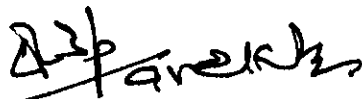
Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control with reference to financial statements 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 Devesh Parekh & Co.

Chartered Accountants

Firm's Registration Number: 013338N



Devesh Parekh

Partner

Membership Number: 092160

Place: New Delhi

Date: May 30, 2019

KINETIC IMPEX LTD.

Regd. Office: 22 Ground Floor, B Camac Street, Kolkata - 700017
 CIN: L51909WB1985PLC039455
 CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019
 (All amounts in INR in 'Lacs', unless mentioned otherwise)

| | Note | As at March 31, 2019 | As at March 31, 2018 |
|---|------|-------------------------|-------------------------|
| ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, plant and equipment | 3 | 0.02 | 0.02 |
| (b) Capital work-in-progress | | - | - |
| (c) Intangible assets | | - | - |
| (d) Intangible assets under development | | - | - |
| (e) Investments in Equity Shares | 4 | - | - |
| (f) Financial assets | | 3,878.79 | 3,597.40 |
| (i) Investments | 5 | - | - |
| (g) Other non-current assets | | - | - |
| (h) Non-current tax assets (net) | | - | - |
| Total non-current assets | | 3,878.81 | 3,597.42 |
| 2 Current assets | | | |
| (a) Inventories | | - | - |
| (b) Financial Assets | | 2,612.38 | 2,514.33 |
| (i) Trade receivables | 6 | 3.25 | 1.56 |
| (ii) Cash and cash equivalents | 7 | - | - |
| (iii) Bank balances other than (ii) above | | - | - |
| (iv) Loans | | - | - |
| (v) Other financial assets | | 54.63 | 75.65 |
| (c) Other current assets | 8 | 2,670.26 | 2,591.54 |
| Total current assets | | 2,670.26 | 2,591.54 |
| Total assets | | 6,549.07 | 6,188.96 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share capital | 9 | 104.00 | 104.00 |
| (b) Other Equity | 10 | 3,798.46 | 3,443.87 |
| Total equity | | 3,902.46 | 3,547.87 |
| LIABILITIES | | | |
| 1 Non-current liabilities | | | |
| (a) Financial Liabilities | | 2,150.00 | 2,150.00 |
| (i) Borrowings | 11 | - | - |
| (b) Provisions | | 339.69 | 286.48 |
| (c) Deferred tax liabilities (on FVTOCI) | | - | - |
| Total non-current liabilities | | 2,489.69 | 2,436.48 |
| 2 Current liabilities | | | |
| (a) Financial Liabilities | | 81.09 | 144.38 |
| (i) Borrowings | 12 | 68.77 | 52.93 |
| (b) Provisions | 13 | 7.06 | 7.30 |
| (c) Other current liabilities | 14 | 156.92 | 204.61 |
| Total current liabilities | | 156.92 | 204.61 |
| Total equity and liabilities | | 6,549.07 | 6,188.96 |
| | | 0.00 | 0.00 |

The accompanying notes are an integral part of the financial statements.
 Summary of Significant Accounting Policies 1 to 2
 Notes to Consolidated Financial Statements 3 to 36

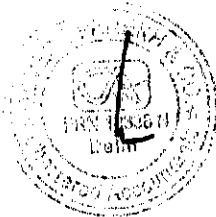
Auditor's Report

As per our separate report of even date annexed herewith

FOR DEVESH PAREKH & CO
 Chartered Accountants

DEVESH PAREKH
 Partner
 Membership No.- 092160
 Firm Registration No. - 013338N

Place : Delhi
 Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

H. M. Surana
 (Hulas Mal Surana)
 Director
 DIN: 00142091

Shashi Katyal
 (Shashi Katyal)
 Company Secretary
 Membership No A58266

Rajesh Kumar Patwari
 (Rajesh Kumar Patwari)
 Director
 DIN: 08214123

Shashi Katyal
 (Shashi Katyal)
 CFO
 PAN: AALPK4837C

KINETIC IMPEX LTD.

Regd. Office: 22 Ground Floor; 8 Camac Street, Kolkata - 700017

CIN: L51909WB1985PLC039455

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH'2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

| | Note | Year ended March 31, 2019 | Year ended March 31, 2018 |
|---|------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 15 | 164.15 | 151.71 |
| Other Income | 16 | 35.63 | 0.59 |
| Total Income | | 199.78 | 152.30 |
| Expenses | | | |
| Cost of raw material and components consumed | | - | - |
| Purchase of Traded Goods | | - | - |
| Changes in inventories of finished goods, work-in-progress and traded goods | | - | - |
| Employee benefits expense | 17 | 11.57 | 11.54 |
| Finance Costs | 18 | 13.76 | 15.06 |
| Depreciation and amortization expense | 19 | 3.63 | 2.67 |
| Other expenses | | 28.96 | 29.27 |
| Total expenses | | | |
| Profit/(Loss) before share of profit/ loss of Associates and Tax | | 170.82 | 123.03 |
| Share of Profit/ (Loss) from Associates | | 76.73 | 1.08 |
| Profit before tax | | 247.55 | 124.11 |
| Tax Expenses | | 44.00 | 24.77 |
| - Current Tax | | - | - |
| - Income Tax-Earlier Year | | 44.00 | 24.77 |
| Total Tax Expenses | | | |
| Profit for the period | | 203.55 | 99.34 |
| Other comprehensive income | 20 | | |
| Items that will not be reclassified to profit or loss | | 204.66 | 603.17 |
| Changes in fair value of FVTOCI equity instruments | | (53.21) | (155.32) |
| Income tax relating to these items | | | |
| Other comprehensive income for the period (net of tax) | | 151.45 | 447.85 |
| Total comprehensive income for the period (net of tax) | | 355.00 | 547.19 |
| Earnings per equity share | 23 | | |
| Basic earnings per share (INR) | | 19.57 | 9.55 |
| Diluted earnings per share (INR) | | 19.57 | 9.55 |

The accompanying notes are an integral part of the financial statements.
 Summary of Significant Accounting Policies
 Notes to Consolidated Financial Statements

1 to 2
3 to 36

Auditor's Report

As per our separate report of even date annexed herewith
 For DEVESH PAREKH & CO.
 Chartered Accountants

Devesh Parekh



DEVESH PAREKH

Partner

Membership No.- 092160

Firm Registration No. - 013338N

Place : Delhi

Date: May 30, 2019

FOR AND ON BEHALF OF THE BOARD

H. M. Surana
 (Hulas Mal Surana)
 Director
 DIN: 00142091

Rajesh Kumar Patawari
 (Rajesh Kumar Patawari)
 Director
 DIN: 08214123

Shashi Katyal
 (Shashi Katyal)
 Company Secretary
 Membership No A58266

Shashi Katyal
 (Shashi Katyal)
 CFO
 PAN: AALPK4837C

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2019

| | Year ended March 31, 2019 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| (A) Cash Flow From Operating Activities | | |
| Net profit before tax | 247.55 | 124.11 |
| Adjustment on account of | | |
| - Depreciation | - | - |
| - (Profit)/ Loss on Sale of Assets | - | - |
| - Miscellaneous Expenses | - | - |
| - Interest Income | 7.71 | 0.59 |
| - Dividend Income | 2.65 | - |
| - Interest Expenses | 13.76 | 15.06 |
| - Provision for impairment of trade receivables | - | - |
| - Derivative (gain) / loss | - | - |
| - Earlier year tax provision | (0.41) | - |
| Operating Profit Before Working Capital Changes | 271.26 | 139.76 |
| Adjustments for | | |
| - (Increase)/Decrease in security deposits | - | - |
| - (Increase)/Decrease in inventories | - | - |
| - (Increase)/Decrease in trade receivables | (98.05) | 67.77 |
| - (Increase)/Decrease in loans | - | - |
| - (Increase)/Decrease in other financial assets | - | - |
| - (Increase)/Decrease in other current assets | 21.02 | (28.68) |
| - (Increase)/Decrease in provisions | 15.84 | - |
| - Increase/(Decrease) in trade payables | - | - |
| - Increase/(Decrease) in other financial liabilities | - | - |
| - Increase/(Decrease) in other current liabilities | (0.24) | (1.91) |
| Cash generated from operations | 209.83 | 176.94 |
| Less: Income tax paid | 44.00 | - |
| Net Cash Flow from Operating Activities (A) | 165.83 | 176.94 |
| (B) Cash Flow From Investing Activities | | |
| - Addition to property, plant and equipment and intangible assets | - | - |
| - Proceeds from sale of property plant and equipment | - | - |
| - Interest received | (7.71) | - |
| - Proceeds from / (investment in) bank deposits | - | - |
| - Dividends received | (2.65) | (0.59) |
| - Sale/ (Purchase) of investment | (76.95) | (1.08) |
| Net Cash Flow used in Investing Activities (B) | (87.31) | (1.67) |
| (C) Cash Flow From Financing Activities | | |
| - Repayment of Short Term Borrowings | (63.29) | (163.47) |
| - Proceeds/(Repayment) from/of short term borrowings | - | - |
| - Interest paid | (13.76) | (15.06) |
| - Dividend paid | - | - |
| Net Cash Flow (used in) / from Financing Activities (C) | (77.05) | (178.53) |
| Net increase/ (decrease) in Cash and Cash Equivalents (A+B+C) | 1.47 | (3.26) |
| Cash and Cash Equivalents at the beginning of the year | 1.56 | 4.82 |
| Cash and Cash Equivalents at the end of the year | 3.03 | 1.56 |

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

| | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Balances with banks | | |
| On current accounts | 2.76 | 0.88 |
| Cash on hand | 0.49 | 0.68 |
| Total cash and cash equivalents | 3.25 | 1.56 |

Amendments to Ind AS 7 Statement of cash flows

The amendments require company to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The amendments are effective for annual periods beginning on or after April 1, 2017. Therefore, the Company has not provided comparative information of preceding period.



KINETIC IMPEX LIMITED
CIN: L51909WB1985PLC039455

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2019

| Particulars | As at April 1, 2018 | Non cash change | | As at March 31, 2019 |
|---|---------------------|-----------------|--------------------------------|----------------------|
| | | Cash flows | Unrealised exchange difference | |
| Long term borrowings (including current maturities) | 2,150.00 | - | - | 2,150.00 |
| Short term borrowings | 144.38 | (63.29) | - | 81.09 |
| | 2,294.38 | (63.29) | - | 2,231.09 |

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

Summary of Significant Accounting Policies

Notes to Consolidated Financial Statements

Auditor's Report

As per our separate report of even date annexed herewith

1 to 2

3 to 36

FOR DEVESH PAREKH & CO.
Chartered Accountants

Asp Parekh

DEVESH PAREKH

Partner

M No.- 092160

Firm Registration No. - 013338N

Place : Delhi

Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

H. M. Surana
(Hulas Mal Surana)

Director

DIN: 00142091

Alka
(Alka)

Company Secretary

Membership No A58266

Rajesh

(Rajesh Kumar Patawari)

Director

DIN: 08214123

Shashi Kalyal

(Shashi Kalyal)

CFO

PAN: AALPK4837C

KINETIC IMPEX LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2019
 (All amounts in INR in 'Lacs', unless mentioned otherwise)

(A) Equity share capital (Refer note 9)

| Particulars | Amount |
|---------------------------------|--------|
| As at April 1, 2018 | 104.00 |
| Changes in equity share capital | - |
| As at March 31, 2019 | 104.00 |

(B) Other equity (Refer note 10)

| Particulars | Reserves and surplus | | | Other reserves |
|--|----------------------|----------------------------|-----------------|-------------------------------------|
| | Retained earnings | Securities premium reserve | General reserve | FVTOCI reserve - equity instruments |
| Balance at March 31, 2018 | 471.42 | - | - | 3,308.60 |
| Profit for the year | 203.55 | - | - | - |
| Other comprehensive income | - | - | - | 151.45 |
| Total comprehensive income for the period | 203.55 | - | - | 151.45 |
| Dividend paid during the year | - | - | - | - |
| Tax on Dividend paid | - | - | - | - |
| Provision for tax of earlier year paid | (0.41) | - | - | - |
| Balance at March 31, 2019 | 674.56 | - | - | 3,460.05 |

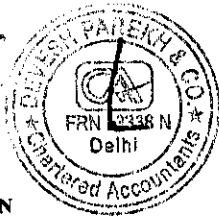
The accompanying notes are an integral part of the financial statements.
 Summary of Significant Accounting Policies 1 to 2
 Notes to Consolidated Financial Statements 3 to 36

Auditor's Report

As per our separate report of even date annexed herewith

For **DEVESH PAREKH & CO.**
 Chartered Accountants

DEVESH PAREKH
 Partner
 Membership No.- 092160
 Firm Registration No. - 013338N
 Place : Delhi
 Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

H. M. Surana
 (Hulas Mal Surana)
 Director
 DIN: 00142091

A. K. Katyal
 Company Secretary
 Membership No A58266

R. K. Patawari
 (Rajesh Kumar Patawari)
 Director
 DIN: 08214123

S. K. Katyal
 (Shashi Katyal)
 CFO
 PAN: AALPK4837C

1. Corporate Information

Kinetic Impex Limited ("The Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company were listed in India on the Kolkata Stock Exchange Limited. The registered office of the Company is located at 8, Camac Street, Kolkata-700017. The Company is engaged in the business of Financing. The Company caters to both domestic markets only.

Ashulok Steel Traders P. Ltd. is a Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company are not listed on any Stock Exchange.

Dependable Consumable Goods P. Ltd. is a Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company are not listed on any Stock Exchange.

High Image Traders P. Ltd. is a Company domiciled in India and incorporated under the provisions of the Companies Act. The shares of the Company are not listed on any Stock Exchange.

Kinetic Impex Limited together with its associates is hereinafter referred to as the "Group".

The consolidated financial statements were authorised for issue in accordance with a resolution of the directors on May 30, 2019.

2. Significant accounting policies

2.1 Basis of preparation

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) Rules, 2016.

For all periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended March 31, 2019 the Company has prepared in accordance with Ind AS.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount

(a) Derivative financial instruments

The consolidated financial statements are presented in Indian Rupees (INR) which is also the Company's functional currency and all values are rounded to the nearest lacs, except when otherwise indicated

2.2. Basis of consolidation

Associates

- (a) An associate company, in its broadest sense, is a corporation in which a parent company possesses a stake. Interests in joint ventures are initially recognised at cost and thereafter accounted for using the equity method.
- (b) Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Consolidated Statement of Profit and Loss and Other Comprehensive Income of the Group. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.



- (c) When the Group's share of losses in an associate equals or exceeds its investment in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.
- (d) Unrealised gains on transactions between the Group and its associate are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where the accounting policies of associates are different from those of the Group, appropriate adjustments are made for like transactions and events in similar circumstances to ensure conformity with the policies adopted by the Group.
- (e) Any gain or loss on dilution arising on a reduced stake in the associate, but still retaining the joint control, is recognized in the Consolidated Statement of Profit and Loss.
- (f) When the investment ceases to be an associate and the retained interest is a financial asset, the Group measures the retained interest at fair value with the change in carrying amount recognised in the Consolidated Statement of Profit and Loss. The fair value of the retained interest becomes the initial carrying amount for the purpose of accounting for the retained interest as a financial asset. Any amounts previously recognised in other comprehensive income in respect of that associate are reclassified to the Consolidated Statement of Profit and Loss.
- (g) With respect to consolidation of Associates, the Group has considered the ownership ratio of 24% each for recognising its share of profits/losses.

2.3. Summary of significant accounting policies

(a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is

- a) Expected to be realised or intended to be sold or consumed in normal operating cycle,
- b) Held primarily for the purpose of trading,
- c) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / non-current classification of assets and liabilities

(b) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at

the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

The specific recognition criteria described below must also be met before revenue is recognised.

Finance Activities

Income from finance activities is recorded using the effective interest rate.

Dividends

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

(c) Property, plant and equipment

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Items of property, plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

(d) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(e) Fair value measurement

The Company measures financial instruments, such as, derivatives and equity investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- a) In the principal market for the asset or liability, or
- b) In the absence of a principal market, in the most advantageous market for the asset or liability

(f) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

life.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generating unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case the reversal is treated as a revaluation increase.

(g) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets

A contingent asset is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

(h) Cash and cash equivalents

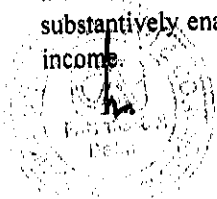
Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

(i) Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.



Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- a) When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- b) In respect of taxable temporary differences associated with interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

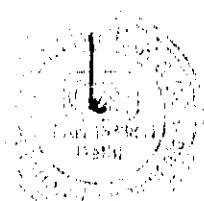
Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside Statement of Profit and Loss is recognised outside Statement of Profit and Loss (in other comprehensive income). Deferred tax items are recognised in correlation to the underlying transaction either in Statement of Profit and Loss or in OCI.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(j) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders after deducting preference dividend and attributable taxes by the weighted average number of equity shares outstanding during the period.



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

(k) **Segment reporting**

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Company is engaged in only finance activities. and as such, segment reporting on account of primary and secondary segments is not required.

(l) **Standards issued but not yet effective**

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2018 and has amended the following standards:

Ind AS 115 Revenue from contracts with customers

Ind AS 115 was issued on March 29, 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after April 1, 2018.

The Company is currently evaluating the requirements of the new standard and the effect on the financial statements is being evaluated.

Amendments to Ind AS 12 Recognition of deferred tax assets for unrealised losses

The amendments clarify that the Company needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how the Company should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

The Company is required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. The Company applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after April 1, 2018. The Company is currently evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

The Company may apply the Appendix requirements on a fully retrospective basis. Alternatively, the Company may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

(i) The beginning of the reporting period in which the Company first applies the Appendix, or

(ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the Company first applies the Appendix.

The Appendix is effective for annual periods beginning on or after April 1, 2018. The Company is currently evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Ind AS 28 Investments in associates and joint ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice

The amendments clarify that:

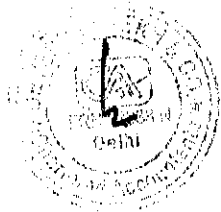
- The Company that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss.
- If the Company, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from April 1, 2018. However, this amendment is not applicable to the Company.

Amendments to Ind 112 Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in Ind AS 112

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

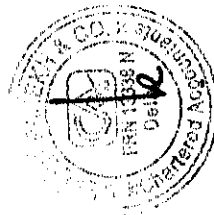
As at 31 March 2019, the Group these amendments do not affect the Group's financial statements.



KINETIC IMPEX LTD.
 Notes to financial statements for the year ended March 31, 2019
 (All amounts in INR in 'Lacs', unless mentioned otherwise)

**5 Property, plant and equipment and capital work-in-progress
 Property, plant and equipment**

| Description of Assets | GROSS CARRYING AMOUNT | | ACCUMULATED DEPRECIATION | | | | NET CARRYING AMOUNT | |
|-----------------------|------------------------------|------------------------------|------------------------------|------------------------------|---------------------------|------------------------------|----------------------|----------------------|
| | Balance as at April 01, 2018 | Addition / Sale / Adjustment | Balance as at March 31, 2019 | Balance as at April 01, 2018 | Depreciation for the year | Balance as at March 31, 2019 | As at March 31, 2019 | As at March 31, 2018 |
| | | | | Depreciation | Disposal / adjustments | | | |
| Computers | 0.62 | - | 0.62 | 0.60 | - | 0.60 | 0.02 | 0.02 |
| Total | 0.62 | - | 0.62 | 0.60 | - | 0.60 | 0.02 | 0.02 |



Kinetic Impex Limited

Notes to consolidated financial statements for the year ended March 31, 2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

4 Investment in Shares Of Group Companies

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Investment in unquoted equity shares - Fully paid-up - At cost As per detail Attached | | |
| Total | | |
| Financial assets - non-current | | |

5 Investments

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Investments stated at Fair Value through OCI | | |
| Investments in equity instruments - Un Quoted (fully paid) As Per Detail attached | 3,878.79 | 3,597.40 |
| Total | 3,878.79 | 3,597.40 |
| Aggregate book value of Unquoted investments | 3,878.79 | 3,597.40 |
| Aggregate market value of quoted investments | | |
| Financial assets - current | | |

6 Trade Receivables

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|------------------------------------|-------------------------|-------------------------|
| Trade receivables | 2,612.38 | 2,514.33 |
| Less: Allowance for doubtful debts | - | - |
| Total | 2,612.38 | 2,514.33 |
| Current portion | 2,612.38 | 2,514.33 |
| Non-current portion | | |
| Breakup of security details | | |
| Secured, considered good | 2,612.38 | 2,514.33 |
| Unsecured, considered good | | |
| Doubtful | | |
| Subtotal | 2,612.38 | 2,514.33 |
| Allowance for doubtful debts | - | - |
| Total | 2,612.38 | 2,514.33 |

- No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

- Trade receivables are non-interest bearing and are generally on terms of 90 to 180 days.
- For explanations on the Company's credit risk management processes, refer note 28



| Non Current Investments INVESTMENTS (in equity shares) (a) Un-Quoted Equity Shares | Face Value per unit | No. of shares (current yr.) | No. of shares (Prev. yr.) | 31.03.2019 | 31.03.2018 | 31.03.2019 | 31.03.2018 |
|--|---------------------------|-----------------------------------|---------------------------------|-------------------|-------------------|----------------------------------|--------------------|
| | | | | Total Cost (Rs.) | | cost as per book value of shares | |
| | | | | | | 31.03.2019 | 31.03.2018 |
| Ashuok Steel Traders (P) Ltd. | Rs. 10 | 21,600 | 21,600 | 216,000 | 216,000 | 812,376 | 422,928 |
| Bhadani Financers (P) Ltd. | Rs. 10 | 30,000 | 30,000 | 2,013,000 | 2,013,000 | 3,399,600 | 3,162,000 |
| Dependable Consumable Goods (P) Ltd. | Rs. 10 | 16,500 | 16,500 | 264,000 | 264,000 | 507,045 | 509,355 |
| High Image Plastic Traders (P) Ltd. | Rs. 10 | 12,000 | 12,000 | 120,000 | 120,000 | 484,920 | 487,800 |
| KLJ Developers (P) Ltd. | Rs. 10 | 296,100 | 296,100 | 15,236,000 | 15,236,000 | 67,282,803 | 65,500,281 |
| KLJ Organic Limited | Rs. 10 | 990,000 | 990,000 | 1,584,000 | 1,584,000 | 228,521,700 | 204,662,700 |
| KLJ Plastics Ltd. | Rs. 10 | 20,000 | 20,000 | 200,000 | 200,000 | 1,637,618 | 171,120 |
| KLJ Polymers & Chemicals Ltd. | Rs. 10 | 72,000 | 72,000 | 20,000 | 20,000 | 13,321,440 | 12,622,320 |
| Pragati Imports (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,064,950 | 3,055,050 |
| Pragati Imtrade (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,066,300 | 3,056,400 |
| Pragati Tradecom (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,067,200 | 3,056,850 |
| Prithvi Sound Products Co.(P) Ltd. | Rs. 100 | 5,875 | 5,875 | 3,662,000 | 3,662,000 | 53,507,973 | 46,258,105 |
| Sunny IT Infrasoft (P) Ltd. | Rs. 10 | - | 760,000 | - | 7,600,000 | - | 7,600,000 |
| Swastik Tradex (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,069,450 | 3,059,550 |
| Swastik Tracom (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,069,450 | 3,059,550 |
| Swastik Exports & Imports (P) Ltd. | Rs. 10 | 45,000 | 45,000 | 450,000 | 450,000 | 3,065,850 | 3,055,950 |
| Total | | | | 26,015,000 | 33,615,000 | 387,878,675 | 359,739,959 |

100,000 Rs. In lac

3,878.79

3,597.40



| 7 Cash and cash equivalents | | | |
|-----------------------------|----------------|-------------|----------------|
| Particulars | As at | | As at |
| | March 31, 2019 | | March 31, 2018 |
| Balances with banks | | | |
| On current accounts | | 2.76 | 0.88 |
| Cash in hand | | 0.49 | 0.68 |
| Total | | 3.25 | 1.56 |

| 8 Other current assets | | | |
|---|----------------|--------------|----------------|
| Particulars | As at | | As at |
| | March 31, 2019 | | March 31, 2018 |
| (Unsecured, considered good unless otherwise stated) | | | |
| Balances with government authorities | | 54.63 | 75.65 |
| Total | | 54.63 | 75.65 |

| 9 Equity share capital | | | |
|---|------------------|---------------|--|
| Authorised share capital | | | |
| | Number of shares | INR | |
| As at April 1, 2018 | 1,040,000 | 104.00 | |
| Increase/(decrease) during the year | | | |
| At March 31, 2019 | 1,040,000 | 104.00 | |
| Issued equity share capital | | | |
| Equity shares of INR Rs. 10 each issued, subscribed and fully paid. | | | |
| | Number of shares | INR | |
| As at April 1, 2018 | 1,040,000 | 104.00 | |
| Increase/(decrease) during the year | | | |
| At March 31, 2019 | 1,040,000 | 104.00 | |

(a) Rights, preferences and restrictions attached to shares :

The company has only one class of equity shares having face value of INR 10/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amount, in proportion to their shareholding.

(b) The details of Shareholders holding more than 5% shares:

| Name of the Shareholder | As at March 31, 2019 | | As at March 31, 2018 | |
|------------------------------------|----------------------|--------|----------------------|--------|
| | Number of Shares | % Held | Number of Shares | % Held |
| Sh. K. L. Jain | 152500 | 14.66 | 152500 | 14.66 |
| Smt. Sushila Patawari | 59000 | 5.67 | 59000 | 5.67 |
| Sh. Hemant Jain | 157500 | 15.14 | 157500 | 15.14 |
| Sh. Kamal Jain | 169400 | 16.29 | 169400 | 16.29 |
| Sh. Pushp Jain | 149700 | 14.39 | 149700 | 14.39 |
| M/s KLJ Polymers & Chemicals Ltd. | 100000 | 9.62 | 100000 | 9.62 |
| M/s Mangalshree Suppliers (P) Ltd. | 100000 | 9.62 | 100000 | 9.62 |
| M/s Siddhishree Vincom (P) Ltd. | 100000 | 9.62 | 100000 | 9.62 |



10 Other equity
a) Reserves and surplus

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-----------------------------------|-------------------------|-------------------------|
| Retained earnings | 674.56 | 471.42 |
| Total reserves and surplus | 674.56 | 471.42 |

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|----------------------------------|-------------------------|-------------------------|
| (i) Retained Earnings | 471.42 | 372.08 |
| Opening balance | 203.55 | 99.34 |
| Profit for the year | (0.41) | |
| Income tax provision of Fy 17-18 | | |
| Closing balance | 674.56 | 471.42 |

b) Other reserves

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|-------------------------------------|-------------------------|-------------------------|
| FVTOCI reserve - equity instruments | 3,123.90 | 2,972.45 |
| Total other reserves | 3,123.90 | 2,972.45 |

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|---|-------------------------|-------------------------|
| i) FVTOCI reserve - equity instruments | 3,308.60 | 2,860.75 |
| Opening balance | | |
| Change in fair value of FVTOCI equity instruments | 151.45 | 447.85 |
| Closing balance | 3,460.05 | 3,308.60 |

The disaggregation of changes in OCI by each type of reserves in equity is disclosed in Note 28

Nature and purpose of reserves

FVTOCI equity investments - The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI equity investments reserve within equity. The company transfers amounts from this reserve within equity when the relevant equity securities are derecognised.

Financial liabilities - Non Current

11 Borrowings

| Particulars | As at March 31, 2019 | As at March 31, 2018 |
|--|-------------------------|-------------------------|
| Unsecured | | |
| Advance from Companies - Inter Corporate Deposit | 2,150.00 | 2,150.00 |
| Total | 2,150.00 | 2,150.00 |



Financial Liabilities - Current

| 12 Borrowings | | | As at | As at |
|------------------------------|---------------|---------------|----------------|----------------|
| Particulars | Maturity date | Interest rate | March 31, 2019 | March 31, 2018 |
| Unsecured | | | | |
| Loans repayable on demand | | | | |
| -from Associated Companies | On demand | - | 81.09 | 144.38 |
| Total | | | 81.09 | 144.38 |
| 13 Short term provisions | | | As at | As at |
| Particulars | | | March 31, 2019 | March 31, 2018 |
| Provision for Income Tax | | | 68.77 | 52.93 |
| Total | | | 68.77 | 52.93 |
| 14 Other current Liabilities | | | As at | As at |
| Particulars | | | March 31, 2019 | March 31, 2018 |
| Expense Payable | | | 3.21 | 2.59 |
| Statutory dues | | | 3.85 | 4.71 |
| Total | | | 7.06 | 7.30 |



Kinetic Impex Limited
Notes to consolidated financial statements for the year ended March 31, 2019
 (All amounts in INR in 'Lacs', unless mentioned otherwise)

| 15 Revenue from operations | | Year ended | Year ended |
|--|------|----------------|----------------|
| Particulars | | March 31, 2019 | March 31, 2018 |
| Finance Activity | | 164.15 | 151.71 |
| Interest | | | |
| | | <u>164.15</u> | <u>151.71</u> |
| 16 Other Income | | Year ended | Year ended |
| Particulars | | March 31, 2019 | March 31, 2018 |
| Interest income | | 7.71 | |
| Dividend income from equity investments designated at fair value through other comprehensive income* | | 2.65 | 0.59 |
| Profit On Sale of Shares | | 25.27 | - |
| | | <u>35.63</u> | <u>0.59</u> |
| Total other income | | | |
| 17 Employee benefit expenses | | Year ended | Year ended |
| Particulars | Note | March 31, 2019 | March 31, 2018 |
| Salaries, wages and bonus | | 11.12 | 11.10 |
| Staff welfare expenses | | 0.45 | 0.44 |
| Total employee benefit expenses | | <u>11.57</u> | <u>11.54</u> |
| 18 Finance costs | | Year ended | Year ended |
| Particulars | | March 31, 2019 | March 31, 2018 |
| Interest (Others) | | 13.74 | 15.04 |
| Other borrowings costs | | 0.02 | 0.02 |
| Bank charges | | 13.76 | 15.06 |
| Total finance costs | | | |
| 19 Other expenses | | Year ended | Year ended |
| Particulars | Note | March 31, 2019 | March 31, 2018 |
| Listing Fee | | 0.30 | 0.35 |
| Printing and Stationery | | - | 0.01 |
| Rates and taxes | | 0.38 | 0.09 |
| Legal and Professional Fees | | 0.95 | 0.26 |
| Payment to Auditors | | 0.34 | 0.25 |
| Rent | | 1.42 | 1.41 |
| Miscellaneous Expenses | | 0.24 | 0.30 |
| | | <u>3.63</u> | <u>2.67</u> |
| Subtotal (c) | | | |
| 19(a) Details of payment to auditors (excluding taxes) | | Year ended | Year ended |
| Particulars | | March 31, 2019 | March 31, 2018 |
| As auditor | | 0.34 | 0.25 |
| Statutory Audit Fees | | - | - |
| Tax Audit Fees | | - | - |
| | | <u>0.34</u> | <u>0.25</u> |
| Total | | | |



20 Components of Other Comprehensive Income (OCI)

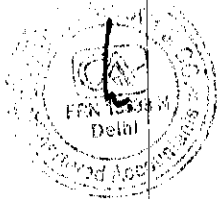
The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2018

| | FVTOCI reserve | Retained earnings | Total |
|--|-------------------|-------------------|---------------|
| Gain/(loss) on FVTOCI financial assets | 262.43 | - | 262.43 |
| Total | 262.43 | - | 262.43 |

During the year ended March 31, 2019

| | FVTOCI reserve | Retained earnings | Total |
|--|-------------------|-------------------|---------------|
| Gain/(loss) on FVTOCI financial assets | 151.45 | - | 151.45 |
| Total | 151.45 | - | 151.45 |



21 Significant estimates, judgements and assumptions

The preparation of the Company's financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Contingent liabilities

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgement and the use of estimates regarding the outcome of future events.

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

Fair value of financial instruments

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

Interest in Associates

Ashulok Steel Traders P. Ltd. is a private company in which the parent company currently owns 24% of the ownership interest. Ashulok Steel Traders P. Ltd. is structured as a separate legal entity and both companies have an interest in the net assets of Ashulok Steel Traders P. Ltd. Accordingly, the parent company has classified its interest in Ashulok Steel Traders P. Ltd. as an associate.

Dependable Consumable Goods P. Ltd. is a private company in which the parent company currently owns 24% of the ownership interest. Dependable Consumable Goods P. Ltd. is structured as a separate legal entity and both companies have an interest in the net assets of Dependable Consumable Goods P. Ltd. Accordingly, the parent company has classified its interest in Dependable Consumable Goods P. Ltd. as an associate.

High Image Plastic Traders P. Ltd. is a private company in which the parent company currently owns 24% of the ownership interest. High Image Plastic Traders P. Ltd. is structured as a separate legal entity and both companies have an interest in the net assets of High Image Plastic Traders P. Ltd. Accordingly, the parent company has classified its interest in High Image Plastic Traders P. Ltd. as an associate.



Note 22 Earnings per Share:

| Particulars | For the year ended 31st | For the year ended 31st |
|------------------------------|-------------------------|-------------------------|
| | March 2019 | March 2018 |
| | (Rs. per share) | (Rs. per share) |
| Basic EPS | | |
| From continuing operation | 19.57 | 9.55 |
| From discontinuing operation | - | - |
| Diluted EPS | | |
| From continuing operation | 19.57 | 9.55 |
| From discontinuing operation | - | - |

Basic Earning per Share

The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

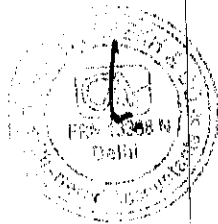
| Particulars | (Amount in Lakhs) | |
|---|-------------------------|-------------------------|
| | For the year ended 31st | For the year ended 31st |
| | March 2019 | March 2018 |
| Profit attributable to equity holders of the company: | | |
| Continuing operations | 203.55 | 99.34 |
| Discontinuing operations | - | - |
| Earnings used in calculation of Basic Earning Per Share | <u>203.55</u> | <u>99.34</u> |
| Weighted average number of shares for the purpose of basic earnings per share | 1,040,000 | 1,040,000 |

Diluted Earning per Share

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

| Particulars | (Amount in Lakhs) | |
|--|-------------------------|-------------------------|
| | For the year ended 31st | For the year ended 31st |
| | March 2019 | March 2018 |
| Profit attributable to equity holders of the company: | | |
| Continuing operations | 203.55 | 99.34 |
| Discontinuing operations | - | - |
| Earnings used in calculation of diluted Earning Per Share from continuing operations | <u>203.55</u> | <u>99.34</u> |

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic



| Particulars | For the year ended 31st | For the year ended 31st |
|--|-------------------------|-------------------------|
| | March 2019 | March 2018 |
| Weighted average number of Equity shares used in calculation of basic earnings per share | 1,040,000 | 1,040,000 |
| Effect of dilution: | | |
| Share Options | - | - |
| Weighted average number of Equity shares used in calculation of diluted earnings per share | 1,040,000 | 1,040,000 |

Note 23 Related Party disclosures as required by Ind-AS 24 "Related party Disclosure"

Key Management Personnel:

Mr. Hulas Mal Surana, Director
 Mr. Vinay Nahata, Director
 Mr Rajesh Kumar Patawari, Director
 Ms Alka Soni, Company Secretary
 Ms Shashi Katyal, CFO

Enterprises over which key management personnel and their relatives have control / significant influence:

1. KLJ Organic Ltd.
2. KLJ Developers (P) Ltd.
3. Inspiration Dealers Pvt. Ltd.
4. Virmani Industries Pvt. Ltd.
5. KLJ Realtech Pvt. Ltd.
6. Siddhishree Vincom Pvt. Ltd.
7. Mangalshree Suppliers Pvt. Ltd.
8. Bhadani Financers Pvt Ltd

Disclosure of transactions with related parties: As per separate sheet attached



Transactions during the year with related parties

| Name of Related Parties | Relationship | Nature of Transaction | Dr./ (Cr.) Balance as on 31.03.18 | Paid/ Adj during the year | Paid/ Adj Previous year | Received / Adj during the year | Received/ Adj Previous year | Dr./ (Cr.) Balance as on 31.03.19 |
|-------------------------------|-------------------|-----------------------|-----------------------------------|---------------------------|-------------------------|--------------------------------|-----------------------------|-----------------------------------|
| KLJ Organic Ltd | Associate Concern | Loan Recd | 1,215,212 | 3,277,350 | 900,000 | 2,000,000 | 1,000,000 | - |
| | | Interest paid | - | 69,042 | 239,124 | 6,904 | 23,912 | - |
| Inspiration Dealers Pvt Ltd | Associate Concern | Loan Recd | 6,067,428 | 10,387,450 | 400,000 | 3,800,000 | 100,000 | - |
| | | Interest paid | - | 577,802 | 143,072 | 57,780 | 14,307 | - |
| Virmani Industries Pvt Ltd | Associate Concern | Loan Recd | 2,670,293 | 250,000 | 3,230 | 200,000 | 253,230 | 2,859,078 |
| | | Interest paid | - | 265,317 | 230,654 | 26,532 | 23,065 | - |
| KLJ Developers Pvt Ltd | Associate Concern | Loan Given | 64,027,244 | 14,901,761 | 53,500,000 | 31,398,239 | 123,700,000 | 42,629,005 |
| | | Interest Recd | - | 544,640 | 6,008,351 | 5,446,401 | 600,835 | - |
| KLJ Realtech Pvt Ltd | Associate Concern | Loan Given | 12,058,021 | 39,133,883 | 33,700,000 | 7,366,117 | 53,500,000 | 41,191,904 |
| | | Interest Recd | - | 292,654 | 2,585,386 | 2,926,537 | 258,539 | - |
| Mangalshree Suppliers Pvt Ltd | Associate Concern | Loan Given | 876,061 | 99,832 | - | 125,168 | 200,000 | 775,893 |
| | | Interest Recd | - | 8,315 | 81,679 | 83,147 | 8,168 | - |
| Siddhishree Vincom Pvt Ltd | Associate Concern | Loan Recd | 4,485,353 | - | - | 350,000 | - | 5,249,736 |
| | | Interest Paid | - | 460,426 | 411,500 | 46,043 | 41,150 | - |
| Bhadani Financers Pvt Ltd | Associate Concern | Loan Given | 75,636,278 | 12,811,081 | - | 3,485,779 | - | 77,798,929 |
| | | Interest Recd | - | 795,850 | - | 7,958,501 | - | - |

Kinetic Imgx Limited

Notes to Consolidated financial statements for the year ended March 31, 2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

24 Contingent liabilities - NIL (As confirmed and certified by the management)

25 The Balances shown under the head Trade Receivables and Trade Payables are subject to confirmation and reconciliations. However, the Company has initiated the process of obtaining confirmations from trade receivables and payables.

26 Amount due to Micro & Small enterprises under MSMED Act, 2006 is INR 0 (March 31, 2018: 825.86). There are no overdue amounts payable to Micro, Small and Medium enterprises as required by Micro, Small & Medium Enterprises Development Act, 2006, as on the Balance Sheet date to the extent such enterprises have been identified based on information available with the company. In view of this there is no overdue interest payable.

There is no reportable segment due to quantitative thresholds as per Ind AS 108.

No amounts are due for deposits at the Balance Sheet date to the Investor Education and Protection Fund.



Note: - 27 Capital management

The company manages its capital to ensure that the company will be able to continue as a going concern while maximising the return to stakeholder through optimization of the debt and equity balance. The capital structure of the company comprises of debt and total equity of the company.

| | | (Amount in Lakhs) | |
|---------------------------|--|--------------------------|-----------------------|
| Debt Equity Ratio | | | |
| Particulars | | As at 31st March 2019 | As at 31st March 2018 |
| Borrowings | | 2,231.09 | 2,294.38 |
| Short term debt | | - | 2,231.09 |
| Equity (Note No.9) | | 104.00 | 104.00 |
| Other equity (Note No.10) | | 674.56 | 471.42 |
| Total equity | | - | 778.56 |
| Debt equity Ratio | | 2.87 | 3.99 |

Note 28 :Fair Value measurements

(i) Financial Instruments by Category

(Amount in Lakhs)

| Particulars | As at 31st March, 2019 | | | As at 31st March, 2018 | | |
|------------------------------------|------------------------|----------|-----------------|------------------------|----------|-----------------|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| Financial Assets | | | | | | |
| Cash and Cash Equivalents | - | - | 3.25 | - | - | 1.56 |
| Other Financial Assets | | | - | | | - |
| Total Financial Assets | - | - | 3.25 | - | - | 1.56 |
| Financial Liabilities | | | | | | |
| Borrowings | - | - | 2,231.09 | - | - | 2,294.38 |
| Total Financial Liabilities | - | - | 2,231.09 | - | - | 2,294.38 |

i) The carrying amounts of cash and cash equivalents which are due to be settled within 12 months are considered to the same as their fair values, due to short term nature.

ii) Short term borrowings are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount. As the amount is immaterial, no fair valuation is required.

(ii) Fair Value hierarchy

Level 1- Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2- Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived form prices)

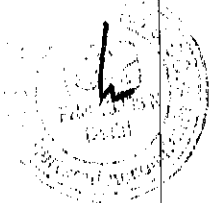
Level 3- Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at amortised cost:-

As at 31-03-2019

(Amount in Lakhs)

| Particulars | Level 1 | Level 2 | Level 3 | Total |
|------------------------------------|----------|----------|-------------|-------------|
| Financial Assets | | | | |
| Financial assets at Amortised Cost | | | | |
| Cash & Cash Equivalents | - | - | 3.25 | 3.25 |
| Other Financial Assets | - | - | - | - |
| | - | - | 3.25 | 3.25 |



| As at 31-03-2019 | | | | | (Amount in Lakhs) |
|---|---------|---------|----------|----------|-------------------|
| Particulars | Level 1 | Level 2 | Level 3 | Total | |
| Financial Liabilities | | | | | |
| Financial Liabilities at Amortised Cost | | | | | |
| Borrowings | - | - | 2,231.09 | 2,231.09 | |
| | - | - | 2,231.09 | 2,231.09 | |

| As at 31-03-2018 | | | | | (Amount in Lakhs) |
|------------------------------------|---------|---------|---------|-------|-------------------|
| Particulars | Level 1 | Level 2 | Level 3 | Total | |
| Financial Assets | | | | | |
| Financial assets at Amortised Cost | | | | | |
| Cash & Cash Equivalents | - | - | 1.56 | 1.56 | |
| Other Financial Assets | - | - | - | - | |
| | - | - | 1.56 | 1.56 | |

| As at 31-03-2018 | | | | | (Amount in Lakhs) |
|---|---------|---------|----------|----------|-------------------|
| Particulars | Level 1 | Level 2 | Level 3 | Total | |
| Financial Liabilities | | | | | |
| Financial Liabilities at Amortised Cost | | | | | |
| Borrowings | - | - | 2,294.38 | 2,294.38 | |
| | - | - | 2,294.38 | 2,294.38 | |

(iii) Financial risk management

The Company's principal financial liabilities comprise only Borrowings. The main purpose of these financial liabilities is to finance the company's operations. The Company's principal financial assets include cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The company financial risk activities are governed by appropriated policies and procedures and that financial risk are identified, measured and managed in accordance with the companies policies and risk objectives. The board of directors reviews and agrees policies for managing each of these risk, which are summarised below:-

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Interest rate risk and foreign currency risk. Financial instruments affected by market risk includes loans and borrowings.

i) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate, the company performs a comprehensive corporate interest rate risk management. The company is not exposed to significant interest rate risk as at the respective reporting dates.

ii) Foreign Currency Risk

There are no foreign exchange transactions undertaken by the company hence, company is not exposed to foreign currency risk.

b) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The company is not exposed to credit risk from its financial activities at present there are no receivables outstanding in books from other than associate concerns.

Financial Instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed in accordance with the companies policy. Investment of surplus are made only with approved with counterparty on the basis of the financial quotes received from the counterparty.

c) Liquidity risk

Liquidity risk is the risk that the company will not be able to meet its financial obligations as they become due. The company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation.

The company's principal sources of liquidity are cash and cash equivalents and the borrowings from associate concerns only. The company has no bank borrowings.



Kinetic Impex Limited

Notes to consolidated financial statements for the year ended March 31, 2019

(All amounts in INR in 'Lacs', unless mentioned otherwise)

29 Fair valuation of investments

Under Previous GAAP, the Company recognised long-term investments in equity shares at cost less provision for diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTOCI and measured them at fair value through Other comprehensive income. This has increased total equity by INR 281.39 as at March 31, 2019 (April 1, 2018 - INR 3597.407). Other comprehensive income for the year ended March 31, 2019 increased by INR 208.23 (net of tax impact of INR 73.16).

30 Other comprehensive income

Under Previous GAAP, the Company has not presented other comprehensive income (OCI) separately. Items of income and expense that are recognised in "other comprehensive income" consists of fair value gains or (losses) on FVTOCI equity instruments. Further, Indian GAAP profit or loss is reconciled to total comprehensive income as per Ind AS.

31 Retained earnings

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

32 Statement of cash flows

Cash Flow statement has been prepared under indirect method as set out in Accounting Standard 3 on cash flow issued by the ICAI.

33 Lease Arrangements

Company does not have any lease arrangements either in capacity of lessor or lessee.

34 The previous years figures have been regrouped and reclassified, to the extent necessary, to conform to the current years figures.

35 Approval of consolidated financial statement

The consolidated financial statements were approved for issue by the Board of Directors on 30th May, 2019

Auditor's Report

As per our separate report of even date annexed herewith

FOR DEVESH PAREKH & CO.
Chartered Accountants

DEVEESH PAREKH

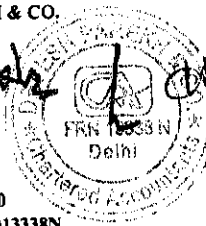
Partner

Membership No.- 092160

Firm Registration No. 013338N

Place : Delhi

Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

H. M. Surana
(Hulas Mal Surana)

Director

DIN: 00142091

A. K. Katyal
(A.K. Katyal)

Company Secretary

Membership No A58266

Rajesh Kumar Patawari

(Rajesh Kumar Patawari)

Director

DIN: 08214123

Shashi Katyal

(Shashi Katyal)

CFO

PAN: AALPK4837C

KINETIC IMPEX LIMITED

Notes to consolidated financial statements for the year ended March 31, 2019

(All amounts in INR, unless stated otherwise)

36 Statutory Group Information

As at March 31, 2018

| Name of the entity in the Group | Consolidated Net Assets, i.e. Total Assets minus Total Liabilities | | Share in Consolidated Profit and Loss | | Share in Consolidated Other Comprehensive Income | | Share in Consolidated Total Comprehensive income | |
|---|--|---------------------------------|---------------------------------------|--------------------------------------|--|---|--|---|
| | Amount | As % of Consolidated Net Assets | Amount | As % of Consolidated Profit and Loss | Amount | As % of Consolidated Other Comprehensive Income | Amount | As % of Consolidated Total Comprehensive Income |
| Parent Kinetic Impex Limited | 3,547.21 | 99.74% | 98.26 | 98.91% | 448.66 | 100.00% | 546.92 | 99.80% |
| Associate (Investment as per equity method) | | | | | | | | |
| Ashulok Steel Traders P. Ltd. | 2.07 | 0.06% | 1.13 | 1.13% | - | 0.00% | 1.13 | 0.21% |
| Dependable Consumable Goods P. Ltd. | 3.44 | 0.10% | -0.02 | -0.02% | - | 0.00% | -0.02 | 0.00% |
| High Image Plastic Traders P. Ltd. | 3.68 | 0.10% | -0.03 | -0.03% | - | 0.00% | -0.03 | 0.00% |
| Total equity | 3,556.40 | 100% | 99.34 | 100% | 448.66 | 100% | 548.00 | 100% |
| | 3,556.40 | | 99.34 | | 448.66 | | 548.00 | |
| | -0.00 | | - | | -0.00 | | -0.00 | |

As at March 31, 2019

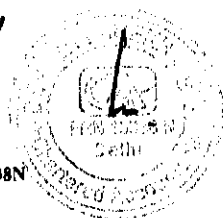
| Name of the entity in the Group | Consolidated Net Assets, i.e. Total Assets minus Total Liabilities | | Share in Consolidated Profit and Loss | | Share in Consolidated Other Comprehensive Income | | Share in Consolidated Total Comprehensive income | |
|---|--|---------------------------------|---------------------------------------|--------------------------------------|--|---|--|---|
| | Amount | As % of Consolidated Net Assets | Amount | As % of Consolidated Profit and Loss | Amount | As % of Consolidated Other Comprehensive Income | Amount | As % of Consolidated Total Comprehensive Income |
| Parent Kinetic Impex Limited | 3,902.46 | 99.77% | 203.14 | 72.58% | 471.42 | 100.00% | 674.56 | 89.79% |
| Associate (Investment as per equity method) | | | | | | | | |
| Ashulok Steel Traders P. Ltd. | 2.07 | 0.05% | 77.00 | 27.51% | - | 0.00% | 77.00 | 10.25% |
| Dependable Consumable Goods P. Ltd. | 3.44 | 0.09% | -0.24 | -0.09% | - | 0.00% | -0.24 | -0.03% |
| High Image Plastic Traders P. Ltd. | 3.68 | 0.09% | -0.03 | -0.01% | - | 0.00% | -0.03 | 0.00% |
| Total equity | 3,911.65 | 100.00% | 279.88 | 100.00% | 294.18 | 100.00% | 751.30 | 100.00% |

Auditor's Report

As per our separate report of even date annexed herewith

For **DEVESH PAREKH & CO.**
Chartered Accountants

DEVESH PAREKH
Partner
Membership No.- 092160
Firm Registration No. - 013338N
Place : Delhi
Date: May 30, 2019



FOR AND ON BEHALF OF THE BOARD

Ch. M. Surana
(Hulas Mal Surana)
Director
DIN: 00142091

Rajesh Kumar Patwari
(Rajesh Kumar Patwari)
Director
DIN: 08214123

Shashi Katyal
(Shashi Katyal)
Company Secretary
Membership No A58266

Shashi Katyal
(Shashi Katyal)
CFO
PAN: AALPK4837C

KINETIC IMPEX LIMITED

Regd. Office: 22, GROUND FLOOR, 8, CAMAC STREET, KOLKATA, WEST BENGAL - 700017
CIN: L51909WB1985PLC039455

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies
(Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate
companies/joint ventures**

Part "A": Subsidiaries

| Sl. No. | Particulars | Details |
|---------|---|---------|
| 1. | Name of the subsidiary | - |
| 2. | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | - |
| 3. | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries | - |
| 4. | Share capital | - |
| 5. | Reserves & surplus | - |
| 6. | Total assets | - |
| 7. | Total Liabilities | - |
| 8. | Investments | - |
| 9. | Turnover | - |
| 10. | Profit before taxation | - |
| 11. | Provision for taxation | - |
| 12. | Profit after taxation | - |
| 13. | Proposed Dividend | - |
| 14. | % of shareholding | - |

***Company has no Subsidiaries.**

Part "B": Associates and Joint Ventures

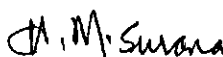
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

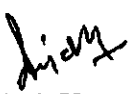
(In Rs)

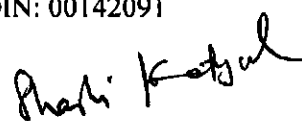
| Name of associates/Joint Ventures | | Ashulok Steel Traders Pvt. Ltd. | Dependable Consumable Goods Pvt. Ltd. | High Image Plastic Traders Pvt. Ltd. |
|---|---|---|---------------------------------------|--------------------------------------|
| 1. Latest audited Balance Sheet Date | | 31.03.2019 | 31.03.2019 | 31.03.2019 |
| 2. Date on which the associate or Joint Venture was associated or acquired | | 17/03/1998 | 19/03/1998 | 15/03/1998 |
| 3. Shares of Associate/Joint Ventures held by the company on the year end | No. of shares | 21600 | 16500 | 12000 |
| | Amount of Investment in Associates/ Joint Venture | 2,16,000 | 1,65,000 | 1,20,000 |
| | Extend of Holding % | 24% | 24% | 24% |
| 4. Description of how there is significant influence | | control of more than 20% of total share capital | | |
| 5. Reason why the associate/joint venture is not consolidated | | | | |
| 6. Net worth attributable to shareholding as per latest audited Balance Sheet | | 81,23,124.48 | 5,06,987.04 | 4,84,975.2 |
| 7. Profit/Loss for the year | | 32,084,184 | (9,999) | (12,054) |
| | Considered in Consolidation | 77,00,204.16 | (2,399.76) | (2,892.96) |
| | Not Considered in Consolidation | 2,43,83,979.84 | (7,599.24) | (9,161.04) |

- Names of associates or joint ventures which are yet to commence operations. (N. A.)
- Names of associates or joint ventures which have been liquidated or sold during the year. (N.A.)

For and on behalf of the Board of Kinetic Impex Limited


(Hulas Mal Surana)
Director
DIN: 00142091


(Rajesh Kumar Patawari)
Director
DIN: 08214123


(Shashi Katyal)
Chief Financial Officer


(Alka)
Company Secretary