

**35th Annual Report  
2015 - 2016**



**KAUSHAL INVESTMENTS LIMITED**



## Corporate Information

### BOARD OF DIRECTORS

Ms Nidhi Sinha	Managing Director
Sri Jitendra Kumar Goyal	Non Executive Independent Director
Sri Vidhu Bhushan Verma	Non-Executive Independent Director
Ms Pooja Agarwalla	Non-Executive Women Director

### COMPANY SECRETARY CUM COMPLIANCE OFFICER

CS Rama Kant Mishra (w.e.f 2nd March, 2016)

### CHIEF FINANCIAL OFFICER

Mr. Pankaj Marda (w.e.f 2nd March, 2016)

### BANKER

IDBI Bank Limited  
Lenin Sarani, Esplanade Branch  
Kolkata – 700 013

### STATUTORY AUDITORS

S. K. Rungta & Co.  
Chartered Accountants  
1, Jagmohan Mullick Lane  
Kolkata-700007

### REGISTRAR & TRANSFER AGENT

Niche Technologies Private Limited  
D511, Bagree Market, 5th Floor  
71, B.R.B. Basu Road, Kolkata – 700001  
Phone No. : 91 33 2235 7270/7271  
Fax: 91 33 2215 6823  
Email: nichetechpl@nichetechpl.com

### REGISTERED OFFICE

P-3, New C.I.T. Road  
Tiretti, Kolkata – 700 073  
Tel: 91 33 2248 5664  
Fax: 91 33 2243 9601  
E-mail: info@kaushalinvest.com  
Website: www.kaushalinvest.com

### CORPORATE IDENTIFICATION NUMBER

CIN : L65993WB1981PLC033363

### Contents

Notice of Thirty fifth Annual General Meeting	...	2
Directors' Report	...	7
Management Discussion and Analysis Report	...	13
Annexures to Directors' Report	...	15
Independent Auditors' Report	...	42
Balance Sheet	...	48
Statement of Profit and Loss	...	49
Cash Flow Statement	...	50
Significant Accounting Policies	...	51
Notes to Financial Statements	...	52
Independent Auditors' Report on the Consolidated Financial Statements	...	58
Consolidated Balance Sheet	...	62
Consolidated Statement of Profit and Loss	...	63
Consolidated Cash Flow Statement	...	64
Notes to Consolidated Financial Statements and Significant Accounting Policies	...	65
Attendance Slip along with Proxy Form		



## KAUSHAL INVESTMENTS LIMITED

Regd. Office : P-3, New C.I.T. Road, Tiretti, Kolkata-700 073

Email: info@kaushalinvest.com; Website: www.kaushalinvest.com

CIN: L65993WB1981PLC033363

### NOTICE OF THIRTY-FIFTH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 35th Annual General Meeting of the Company will be held at Oswal Chamber, Eitma, 5th Floor, 2 Church Lane, Kolkata – 700 001, on Thursday, the 29th September, 2016 at 1.00 P.M. to transact the following business :

#### ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2016 along with Directors' Report and Auditors' Report thereon.
2. To appoint a Director in place of Ms. Pooja Agarwalla (DIN: 06961133), who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration and to pass the following resolution as **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, the appointment of M/s S. K. Rungta & Co., Chartered Accountants (Registration No. 308081E), be and is hereby ratified for a year until the conclusion of 36th Annual General Meeting to be held in the year 2017 and authorize the Board of Directors to fix their remuneration.”

#### Registered Office :

P-3, New C.I.T. Road, Tiretti,  
Kolkata-700 073

CIN: L65993WB1981PLC033363

Phone: 91 33 2237 4951

Fax: 91 33 2243 9601

E-mail: info@kaushalinvest.com

Website: www.kaushalinvest.com

Date: 08.08.2016

By Order of the Board

**KAUSHAL INVESTMENTS LIMITED**

**Nidhi Sinha**

*Managing Director*

(DIN 06393406)

#### NOTES :

1. A Member entitled to attend and vote at the Meeting is also entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a Member of the Company. A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of total share capital of the Company. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member. Proxies in order to be effective must be lodged with the Company's Registered Office at least 48 hours before the commencement of the Meeting.
2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.



3. Brief resume of Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships /chairmanships of Board Committees, shareholding and relationships between directors inter-se stipulated under Listing Regulation with the Stock Exchanges :

<b>Name of Director</b>	<b>Ms. Pooja Agarwalla</b>
Date of Birth	01/10/1988
Date of Appointment	30/09/2014
Qualification	B.Com (Hons)
Directorship in other Public Limited Companies	01
Chairman/Member of the Committee in which he is a Director apart from this Company	01
Share holding of Director in the Company	Nil

# Only Audit Committee and Stakeholders Relationship Committee have been considered

4. The Register of members and Share Transfer Books of the Company will remain closed from 23rd September, 2016 to 29th September, 2016.
5. Members holding shares in physical form are requested to intimate changes in their registered address mentioning full address in block letters with Pin Code of the Post Office, E-mail Id, Bank particulars and Permanent Account Number (PAN) to the Company's Registrar and the Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
6. Members are requested to send their queries, if any on the accounts or operations of the company, to reach the Compliance Officer at the Company's Registered Office, at least 7 (seven) working days prior to the meeting, so that the information can be complied in advance.
7. Members are requested to mention their Folio Number in all their correspondence with the Company in order to facilitate response to their queries promptly.
8. Members/Proxies are requested to kindly take note of the following:
- Copies of Annual Report will not be distributed at the venue of the meeting.
  - Attendance Slip, as sent herewith, is required to be produced at the venue duly filled in and signed, for attending the meeting.
  - Entry to the venue will be strictly on the basis of produce of duly completed and signed Attendance Slip; and
  - In all correspondences with the Company and/or the R & T Agent, Folio No. must be quoted.
9. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate to enable the Company to consolidate their holdings in one folio.
10. Members desirous of making a nomination in respect of their shareholding, as permitted by section 72 of the Companies Act, 2013, are requested to write to the Registrar and Transfer Agent of the Company for the prescribed form.
11. 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.
12. Niche Technologies Pvt. Ltd. is the Registrar and Share Transfer Agent (RTA) of the Company. All investor related communication may be addressed to the following address:

**Niche Technologies Pvt. Ltd.**

D-511 Bagree Market, 5th Floor

71, B.R.B. Basu Road, Kolkata – 700001

Phone No.: 033 22357270/71, Telefax: 033 22156823

Email : nichetechpl@nichetechpl.com



13. The Ministry of Corporate Affairs (MCA) has come out with Circular Nos. 17/2011 dated 21/04/2011 & 18/2011 dated 29/04/2011 propagating "Green Initiative" encouraging Corporate to serve documents through electronic mode. In order to above, shareholders are requested to update their e-mail address with the RTA of the Company, if shares are held in physical form and with their Depository Participants (DP), if the shares are held in Dematerialized form.
14. The Securities and Exchange Board of India (SEBI) has mandated to submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their demat account. Members holding shares in physical form can submit their PAN to the Company and/or its Registrars & Share Transfer Agents.
15. Members may also note that the Notice of the 35th Annual General Meeting and the Annual Report for 2016 will also be available on the Company's website [www.kaushalinvest.com](http://www.kaushalinvest.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Kolkata, West Bengal for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [info@kaushalinvest.com](mailto:info@kaushalinvest.com).

**16. Voting through electronic means**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Listing Regulation, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2016 at 9:00 a.m. (IST) and ends on 28th September, 2016 at 5:00 p.m. (IST). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login



- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles
  - (vii) Select “EVEN” of “**Kaushal Investments Limited**”.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [akkhandelia@rediffmail.com](mailto:akkhandelia@rediffmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :**
- (i) Initial password is provided in the Annexure or at the bottom of the Attendance Slip for this AGM (enclosed herewith).
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2016. A person who is not a member as on cut off date should treat this notice for information purpose only.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 22nd September, 2016, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.



- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date of 22nd September, 2016 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Anand Khandelia, Practicing Company Secretary, (Membership No.5803 and CP No. 5841) of 7/1A, Grant Lane, 2nd Floor, Room No. 206, Kolkata – 700 012 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.kaushalinvest.com](http://www.kaushalinvest.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Calcutta Stock Exchange Limited, where the company shares are listed.

**Registered Office :**

P-3, New C.I.T. Road, Tiretti,

Kolkata-700 073

CIN: L65993WB1981PLC033363

Phone: 91 33 2237 4951

Fax: 91 33 2243 9601

E-mail: [info@kaushalinvest.com](mailto:info@kaushalinvest.com)

Website: [www.kaushalinvest.com](http://www.kaushalinvest.com)

Date: 08.08.2016

By Order of the Board

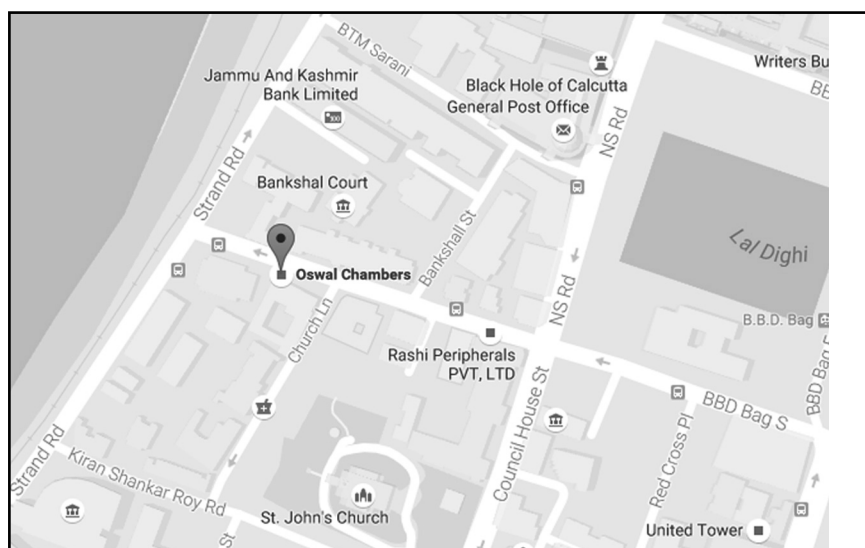
**KAUSHAL INVESTMENTS LIMITED**

**Nidhi Sinha**

*Managing Director*

(DIN 06393406)

**ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING**





## DIRECTORS' REPORT

To  
The Members,

Your directors have pleasure in presenting their Thirty-Fifth Annual Report on the business and operations of **Kaushal Investments Limited (the "Company")** together with the audited statement of accounts for the year ended 31st March, 2016.

### FINANCIAL HIGHLIGHTS (STANDALONE AND CONSOLIDATED)

During the year under review, performance of your company as under:

(in ₹)

Financial Result	Year ended 2015 – 2016	Year ended 2014 – 2015
Total Revenue	388647	1062059
Profit /(Loss) Before Tax	(144665)	120747
Less: Tax Expenses	6046	38438
Profit /(Loss) After Tax	(150711)	82309
Balance carried to Balance Sheet	842057	992768

The consolidate performance of the group as per consolidate financial statement as under :

(in ₹)

Financial Result	Year ended 2015 – 2016	Year ended 2014 – 2015
Total Revenue	388647	1062059
Profit /(Loss) Before Tax	(144665)	120747
Less: Tax Expenses	6046	38438
Profit /(Loss) After Tax	(150711)	82309
Share of Profit of Associates	248296	–
Profit for the year (after adjustment for share of profit of Associates)	97585	82309

### OPERATING & FINANCIAL PERFORMANCE

Gross revenues decreased to Rs. 388647/- a decline of around 63.41 % against Rs. 1062059/- in the previous year. Profit/(Loss) before taxation was Rs. (144665/-) against a profit as Rs. 120747/- in the previous year. The revenue has decreased due to decrease in Income from Sale of Investments and derivative trading.

### DIVIDEND

With the view to conserve the resources of company your directors regret to recommend any dividend for the period under report.

### CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of the business of the Company.

### STATUTORY & LEGAL MATTERS

There has been no significant and/or material order(s) passed by any Regulators/Courts/Tribunals impacting the going concern status and the Company's operations in future.

### MATERIAL CHANGES & COMMITMENTS OCCURRING AFTER THE END OF FINANCIAL YEAR

No material changes and/or commitments affecting the financial position of the Company occurred between the end of the financial year to which the attached financial statements relate to and up to the date of this report.





### **INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

### **SUBSIDIARY / JOINT VENTURES / ASSOCIATES**

As on March 31, 2016, the Company had two associate Indigo Dealers Pvt. Ltd. & Tirupati Tie-up Pvt Ltd. In accordance with Section 129(3) of the Companies Act, 2013, the Company has to prepare a consolidated financial statement of the Company as a part of the Annual Report. A statement containing salient features of the financial statements of the Associate companies in the prescribed format, AOC 1 is also included in the Board Report and is attached as **Annexure I**. In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its standalone financial statement has been placed on the website of the Company, [www.kaushalinvest.com](http://www.kaushalinvest.com).

### **CONSOLIDATED FINANCIAL STATEMENTS**

The consolidated financial statements prepared in accordance with Accounting Standard 21 – Consolidated Financial Statements forms part this report.

### **INTERNAL FINANCIAL CONTROL**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

### **SHARE CAPITAL**

The paid up Equity Share Capital as on March 31, 2016 was Rs. 3,14,00,000/-. During the year under review the company has not issued any shares or any convertible instruments.

### **RISK MANAGEMENT**

Although the company has long been following the principle of risk minimization as the norm in every industry, it has now become a compulsion. The Board members were informed about risk assessment and after which the Board formally adopted and implemented the necessary steps for monitoring the risk management plan for the company.

### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Ms. Pooja Agarwalla (DIN: 06961133), who retires by rotation at the Annual General Meeting and being eligible, offers herself for re-appointment

### **CHIEF FINANCIAL OFFICER**

In accordance with the provisions of section 203(1)(iii), read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, of the Companies Act, 2013 based on the recommendations of Nomination and Remuneration Committee and in accordance with the Nomination Remuneration Policy of the Company w.e.f 02.03.2016, Mr. Pankaj Marda was appointed as CFO and also to be designated as a Key Managerial Personnel on a Monthly Basic Salary of Rs. 10,000 P.M.

### **COMPANY SECRETARY AND COMPLIANCE OFFICER**

During the year, at a meeting of the Board of Directors of the Company held on 2nd March, 2016 appointed Mr. Rama Kant Mishra as Company Secretary, Compliance Officer and as a Key Managerial Personnel of the Company. The appointment was effective 2nd March, 2016.

As on 31st March 2016 the following were the key managerial personnels in the company ;

- a) Ms Nidhi Sinha (MD)
- b) Mr. Rama Kant Mishra (CS)
- c) Mr. Pankaj Marda (CFO)

### **DECLARATION BY INDEPENDENT DIRECTOR(S)**

The Board of Directors hereby certifies that the Independent Directors appointed on the Board, meet the criteria pursuant to Section 149(6) of the Companies Act, 2013.



Further, all Independent Directors have furnished their Declarations meeting the criteria under Section 149(6) of the Companies Act, 2013 and Regulation 25 SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015,

#### **MEETINGS OF BOARD**

During the Financial Year 2015-16 seven (7) meetings of the Board of Directors of the Company were held. The details of which are given in the Corporate Governance Report. The intervening gap between the Board Meetings was within the period prescribed under the Companies Act, 2013.

#### **BOARD INDUCTION, TRAINING AND FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS**

At the time of appointment of the Director, a formal letter of appointment is given to him which inter-alia explains the role, functions, and responsibilities expected from him as a Director of the Company. The Director is also explained in detail the various compliances required from him as a Director under the various provisions of the Companies Act 2013, Regulation 25 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, SEBI (Prohibition of Insider Trading) Regulations, 2011, the Code of Conduct of the Company and other relevant regulations. The Director, upon appointment, is formally inducted to the Board. In order to familiarize the Independent Directors about the business drivers, they are updated through presentations at Board Meetings about the Financials of the company and also about the new product launches.

The Directors are also updated on the changes in relevant corporate laws relating to their roles and responsibilities as Directors.

#### **MEETINGS OF INDEPENDENT DIRECTORS**

A separate meeting of the Independent Directors was held on 9th February, 2016. Mr. Jitendra Kumar Goyal was elected as the Lead Independent Director of the Company. Details of the separate meeting of the Independent Directors held and attendance of Independent Directors are provided in the Report on Corporate Governance forming part of this report.

#### **REMUNERATION POLICY**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and to fix their remuneration. The Company's Remuneration Policy is available on the Company's website at [www.kaushalinvest.com](http://www.kaushalinvest.com)

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Companies Act, for the year ended on 31.03.2016 and state that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the directors have prepared the annual accounts on a going concern basis;
- (v) 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
- (vi) The directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **RELATED PARTY TRANSACTIONS**

All Related party transactions that were entered into during the financial year were on an arms length basis and in the ordinary course of business. There are no material significant related party transactions made by the Company during the year that would have required shareholder approval under Regulation 23 SEBI (Listing Obligation and Disclosure Requirement)



Regulations, 2015. All related party transactions are reported to the Audit Committee. Prior approval of the Audit Committee is obtained on a yearly basis for the transactions which are planned and/or repetitive in nature and omnibus approvals are taken within limits laid down for unforeseen transactions. The disclosure under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. The Policy on Related Party transactions as approved by the Board has been uploaded on the Company's Website and may be accessed at the link [http://www.kaushalinvest.com/policy/DOC\\_163619.KAUSHAL-RPT-policy.pdf](http://www.kaushalinvest.com/policy/DOC_163619.KAUSHAL-RPT-policy.pdf)

The details of the transactions with related parties during 2015-16 are provided in the accompanying financial statements.

None of the Independent Directors had any pecuniary relationship or transactions with the Company during the year under review.

#### **PERFORMANCE EVALUATION**

The Nomination and Remuneration Committee of the Company formulated and laid down criteria for performance evaluation of the Board including the Committee and the individual director (including Independent Directors) pursuant to provisions of Section 134, Section 149 read with Code of Independent Directors (Schedule IV) and Section 178 of the Companies Act, 2013, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The manner of performance evaluation followed by the Board is provided in Corporate Governance Report.

#### **WHISTLEBLOWER MECHANISM**

Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations and in order to maintain these standards, the Company encourages its employees who have genuine concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. The Company has a strong and effective Whistleblower Policy which aims to deter and detect actual or suspected misconduct

This mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism. Any employee may report such incident without fear to the Vigilance Officer or alternatively to Chairman of the Audit Committee

The Audit Committee is empowered to monitor the functioning of the mechanism. It reviews the status of complaints received under this policy. The Committee has, in its Report, affirmed that no personnel have been denied access to the Audit Committee. The details of whistle blower policy is posted on the website of the Company and can be accessed at [www.kaushalinvest.com](http://www.kaushalinvest.com).

#### **CORPORATE SOCIAL RESPONSIBILITY**

The provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the Company.

#### **LISTING**

The shares of the Company are listed on the Calcutta Stock Exchange Limited. The Company's shares are compulsorily traded in the dematerialized form. The ISIN allotted is INE612E01016.

#### **LISTING AGREEMENT**

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of Capital markets to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within Six Months from the Effective date. The Company entered into new Listing Agreement with Calcutta Stock Exchange Ltd during the financial year.

#### **STATUTORY AUDIT**

M/s. S. K. Rungta & Co., Chartered Accountants (FRN: 308081E), Kolkata, were appointed as Statutory Auditors of the Company from the conclusion of the Annual General Meeting held on 29.09.2014 until the conclusion of 38th Annual General Meeting to be held in the year 2019. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting.



The Auditors report for fiscal 2016 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

#### **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

As required by SEBI(Listing Obligations and Disclosure Requirements) Regulation, 2015, the auditor's certificate on corporate governance is enclosed as **ANNEXURE-IV** to the Board's report. The auditor's certificate for fiscal 2016 does not contain any qualification, reservation or adverse remark.

#### **SECRETARIAL AUDIT**

Mr. Anand Khandelia, Practicing Company Secretary was appointed to conduct the secretarial audit of the Company for the financial year 2015-16, as required under Section 204 of the Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

In terms of the provisions of Section 204(1) of the Company Act, 2013 a Secretarial Audit Report in Form MR-3 given by Secretarial Auditor is annexed to this Report (**ANNEXURE-III**). The Report confirms that the Company had complied with the statutory provision listed under Form MR-3 and the Company also has proper board processes and compliance mechanism. The Secretarial Audit Report doesnot contain any qualification, reservation or adverse remark.

The Report confirms that the Company had complied with the statutory provision listed under Form MR-3 and the Company also has proper board processes and compliance mechanism . The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Director.

#### **DEPOSITS**

The Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

#### **CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The code laid down by the Board is known as "code of business conduct" which forms an Appendix to the Code. The Code has been posted on the Company's website [www. kaushalinvest.com](http://www.kaushalinvest.com).

All the Board Members, the Senior Management personnel and personnel one level below the Board have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

#### **LOANS, GUARANTEES AND INVESTMENTS**

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The detail of the investments made by the Company are given in the notes to the financial statements.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION**

Since the Company does not own any manufacturing facility, being an Investment Company, the particulars relating to conservation of energy and technology absorption stipulated in the Companies (Accounts) Rules, 2014 are not applicable.

#### **FOREIGN EXCHANGE EARNING AND OUTGO**

There is no foreign exchange earnings and outgo during the year under review.

#### **EXTRACT OF ANNUAL RETURN**

The extract of Annual Return as for the financial year 2015-2016 in Form No. MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is set out as an annexure to this Report. (**Annexure-V**).



### MANAGERIAL REMUNERATION

The information required pursuant to Section 197(12) read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached here as **Annexure VI** and forms a part of the Directors' Report.

There are no employees who are in receipt of remuneration in excess of the limit specified under section 134(3) (q) read with Rule 5 (2) and 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

### PROVISIONS OF SEXUAL HARASSMENT

The provisions of the Sexual Harassment of Women at the work place (Prevention, Prohibition and redressal) Act, 2013 is not attracted on the Company, However the Company has a voluntary policy towards Prevention of Sexual Harassment of Women employees of the Company and has set up a mechanism for registering and prompt redressal of complaints received from all permanent and temporary employees and staffs.

### CAUTIONERY NOTE

The statements forming part of the Directors' Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements

### ACKNOWLEDGEMENT

Your Directors take the opportunity of placing their sincere appreciation to the Central Government, State Government, Banks, Financial Institutions, employees, associates, consultants and members of the company for their valuable guidance and support. The Board expects to receive there continued support in the future as well.

On behalf of the Board  
For **KAUSHAL INVESTMENTS LIMITED**

Place: Kolkata  
Date: 30/05/2016

**Nidhi Sinha**  
Managing Director  
(DIN 06393406)

**Jitendra Kumar Goyal**  
Director  
(DIN 00468744)



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## MANAGEMENT DISCUSSION & ANALYSIS REPORT

### INDUSTRY TREND AND DEVELOPMENT

It is encouraging to note that World Bank and other authorities projected India's GDP to expand to 7.6% or above in the current financial year i.e. 2015-16 compared to 7.2% in 2014-15 on account of increased economic activity and greater stability. However, acceleration in growth is conditional on the development of social and economic conditions of the Country. The Company's principal business being investment in shares and securities, the Company looks forward to increased activities in this segment.

### OPPORTUNITIES AND THREATS

With the positive attitude of the Government and RBI it appears that new opportunities may open up for sustained growth of Investment Companies. However, the Management is not complacent about the future growth of the Company and constantly reviews the ups and downs of the market particularly bearing in mind that the Company is a small sized NBFC and there are plenty of obstacles which may hinder its growth.

### OUTLOOK

As earlier stated, not only World Bank but other authorities also appear to be optimistic about the growth potential of India's economy. The financial results of the year under review have improved and it is expected that the current year may produce even better results barring unforeseen circumstances.

Your company is fully aware that the opportunities in the infrastructure and real estate will be many and diverse in nature. While this provides impetus for our sustainable growth, your company is also duly careful that amongst the multiple choices of attractive businesses available we always make the right choice. Your company's business model and its risk management policies and mechanism are being constantly reviewed and upgraded to ensure this.

### RISK AND CONCERN

As stated earlier, the Company's business is very much dependent on economic and fiscal policies of Government and RBI. The Management critically examines the ups and downs of the Market and this is a matter of constant concern for the Management. The business strategy needs to be reviewed and corrected suitably to meet the changed situation.

### INTERNAL CONTROL SYSTEM AND THERE ADEQUACY

The Company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly. The Company has effective system in place for achieving efficiency in operations, optimum and affective utilization of resources, monitoring thereof and compliance with applicable laws. Comprehensive audit of functional areas and operations of the Company are undertaken to examine the adequacy of and compliance with policies, plans and statutory requirements. Significant observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations.

The audit committee of the Board of Directors comprising Independent Directors also review the system at regular intervals.

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

The financial performance of the Company for the year under review is discussed in detail in the Directors Report.



The financial performance of the company has seen a negative growth since revenue from operations has decreased by considerable margin as compared to the last financial year. The Management expects to maintain positive growth rate in the Coming quarters.

#### **SEGMENT WISE OR PRODUCT WISE PERFORMANCE**

The overall Revenue from operations has decreased by 23.20% as compared to the last financial year, However, income from Trading and Investment activities has decreased by 54.04%.

#### **INDUSTRY STRUCTURE & DEVELOPMENTS**

The Company continues the business of trading and investments in shares and securities and other forms of ancillary business strictly as per the Articles of Association of the company. The company has followed the all Regulatory Norms as have been applicable from time to time, and has complied with all the statutory obligations.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCE / INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Management maintains healthy relation with its employees at all levels. However the number of employes in the company is low but with the positive growth of operations, the management believes the employee base to grow.

#### **CAUTIONARY STATEMENT**

Statements made in this Management Discussion and Analysis describing the Company's current position and expectations for the future may be "forward looking statements" within the meaning of the applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operation include the downtrend in the industry – global or domestic or both, significant changes in political and economic environment in India.

By Order of the Board of Directors  
For **Kaushal Investments Limited**

Place : Kolkata  
Date : 30/05/2016

**Nidhi Sinha**  
*Managing Director*  
(DIN : 06393406)

**Statement containing salient features of the financial statement of  
Subsidiaries / Associate Companies / Joint Ventures**

[Pursuant to the first proviso to Sub-section (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 - AOC-1]

**Part "A" – Subsidiaries**

Sl. No.	Name of the Subsidiary	Reporting Period	Reporting Currency & Exchange rate	Share Capital	Reserves & Surplus	Total assets	Total liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit/(Loss) after Tax	Proposed Dividend	% of share-holding
Not Applicable														

**Part "B" – Associates and Joint Ventures**

Sl. No.	Name of Associates	Latest audited Balance Sheet Date	Shares of Associates/ Joint Ventures held by the company on the year end	Amount of Investment in Associates	Extend of Holding %	Description of how there is significant influence	Networth attributable to Shareholding as per latest audited Balance Sheet	Profit/ Loss for the year	Considered in Consolidation (i)	Not Considered in Consolidation (ii)
1	Indigo Dealers Private Limited	31.03.2016	163400	1,634,000.00	43.06%	163400 Equity Shares held (43.06%) out of total 379500 Shares	31711503	1435.83	Yes	NA
2	Tirupati Tie-up Private Limited	31.03.2016	214000	2,140,000.00	42.80%	214000 shares held (42.80%) out of 500000 shares	44091234	578687	Yes	NA

For and on behalf of the Board of Directors

**Nidhi Sinha**  
*Managing Director*  
 (DIN : 06393406)

**Jitendra Kumar Goyal**  
*Director*  
 (DIN : 00468744)

Place: Kolkata  
Date: 30.05.2016







ANNEXURE - II

## NOMINATION & REMUNERATION POLICY OF Kaushal Investments Limited

### Nomination and Remuneration Committee

The Company considers human resources as its invaluable assets. This policy on nomination & remuneration of Directors Key Managerial Personnel (KMPs) and other employees has been formulated in terms of the provisions of the Companies Act, 2013 and the listing agreement in order to pay equitable remuneration to the Directors Key Managerial Personnel (KMPs) and employees of the Company and to harmonize the aspirations of human resources consistent with the goals of the Company.

### OBJECTIVE

The Key Objectives of the Committee would be :

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

### DEFINITIONS

- **“Board”** means Board of Directors of the Company.
- **“Company”** means **“Kaushal Investments Limited”**.
- **“Independent Director”** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- **“Key Managerial Personnel” (KMP)** means
  - (i) CEO or the Managing Director or the Manager
  - (ii) Company Secretary
  - (iii) Whole-time Director
  - (iv) CFO
  - (v) Such other officer as may be prescribed
- **“Nomination and Remuneration Committee”** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- **“Policy or This Policy”** means, “Nomination and Remuneration Policy.”
- **“Remuneration”** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- **“Senior Management”** mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

### POLICY FOR APPOINTMENT OF DIRECTORS, KMPs AND SENIOR MANAGEMENT

#### Appointment criteria and qualifications :

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.



2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

**Term / Tenure :**

1. Managing Director/Whole-time Director/Manager (Managerial Person): - The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time.
2. An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re- appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report. No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.
3. A whole-time KMP of the Company shall not hold office in more than one Company except in its subsidiary company at the same time.

**Evaluation :**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval.

**POLICY RELATING TO REMUNERATION FOR DIRECTORS, KMPs AND OTHER EMPLOYEES****General**

1. The remuneration/compensation/commission etc. to Directors will be determined by the Committee and recommended to the Board for approval.
2. The remuneration & commission paid to the Managing Director shall be in accordance with the provisions of the Companies Act, 2013, and the rules made there under.

**Remuneration to Non-Executive/Independent Directors**

The remuneration payable to each Non-executive Director is based on the remuneration structure as determined by the Board, and is revised from time to time, depending on individual contribution, the Company's performance, and the provisions of the Companies Act, 2013 and the rules made there under.

**DEVIATIONS FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.



ANNEXURE - III

Form No. MR-3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

[Pursuant to Section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

**Kaushal Investments Limited**

P-3, New C.I.T., Road, Kolkata - 700 073

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kaushal Investments Limited** (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.

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 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 March 31, 2016 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 thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (e) 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;
  - (f) SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - (g) The SEBI (Delisting of Equity Shares) Regulations, 2009.
  - (h) The SEBI (Buy Back of Securities) Regulations, 2009.
- (vi) Any other laws applicable to the Company



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Regulation entered into by the Company with The Calcutta Stock Exchange Ltd

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have recorded.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report there were no other specific events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, etc, having a major bearing on the Company's affairs.

**Anand Khandelia**

*Practicing Company Secretary*

FCS No. : 5803 / C P No.: 5841

Place : Kolkata

Date : 30.05.2016

## ANNEXURE TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
**Kaushal Investments Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy.

**Anand Khandelia**

*Practicing Company Secretary*

FCS No. : 5803 / C P No.: 5841

Place : Kolkata

Date : 30.05.2016



## ANNEXURE - IV

**REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE**

In accordance with Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as 'SEBI Listing Regulations'] read with the disclosure requirements relating to the Corporate Governance Report contained in Schedule V of the SEBI Listing Regulations which came into effect from 1 December 2015 and Clause 49 of the erstwhile Listing Agreement entered into with the Stock Exchanges in India, the details of compliance by the Company with the norms on Corporate Governance are as under:

**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Your Company is always committed to good Corporate Governance and application of best management practices for safeguarding the interest of all stakeholders. Strict adherence to the principles of fairness, transparency, professionalism, accountability and propriety in total functioning of the Company, are pre-requisites for attaining sustainable growth in this competitive corporate world. Your company seeks to focus on regulatory compliances, complying with all the provisions of listing agreement and applicable Corporate Governance Norms with all the modifications within the prescribed time, thereby giving stress on essential pre-requisites of corporate governance.

**ETHICS POLICIES**

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- Code for Board of Directors and Board Committees.
- Code of Business Conduct and Ethics for Directors / Management Personnel.
- Code of Conduct for Prohibition of Insider Trading.

**BOARD OF DIRECTORS ( BOARD)**

In keeping with the commitment of the management for the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive and independent directors to maintain the independence of the Board.

As on 31st March, 2016 the Company's Board comprised of four directors out of which one is Managing Director, a two Non-Executive Independent Directors and one Non-Executive director. Management of the Company is headed by Ms. Nidhi Sinha, Managing Director, subject to general supervision, control and direction of the Board.

The composition of the Board is in conformity with Section 149 of the Companies Act, 2013 and Reg. 17 of SEBI Listing Regulations.

The attendance and number of other Directorship and Committee Membership of each Director is given below:-

Name of the Directors	Category	Financial Year 2015-2016		Attendance at the Last AGM	No. of Directorship in other Public Limited Companies incorporated in India *	Committee positions held in other public limited companies**	
		Board Meeting held during the tenure	Board Meeting attended			Chairman	Member
Mr. Nidhi Sinha (DIN 06393406)	Managing Director	7	7	Yes	01	-	-
Mr. Vidhu Bhushan Verma (DIN 00555238)	Non-Executive/ Independent Director	7	7	Yes	01	02	-
Mr. J. K. Goyal (DIN 00468744)	Non-Executive/ Independent Director	7	7	Yes	04	03	03
Ms. Pooja Agarwalla (DIN 06961133)	Non-Executive Director	7	7	Yes	01	-	01

\* Excludes Directorship in Private Limited Companies, Foreign Companies, Companies under Section 8 of the Companies Act, 2013 and Alternate Directorship.

\*\* Only Audit Committee and Stakeholders Relationship Committee have been considered.



None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

### **Board Meetings**

A calendar of Board and Committee meetings is agreed and circulated in advance to the Directors. Additional meetings are held, when necessary. During the year ended 31 March 2016, seven Board meetings were held on 30th May 2015, 13th August 2015, 28th August 2015, 5th October 2015, 14th November 2015, 9th February 2016 and 2nd March 2016. The gap between any two consecutive meetings did not exceed one hundred and twenty days.

### **Board Agenda**

The meetings of the Board are governed by a structured agenda. The agenda papers are circulated in advance before each meeting to all the Directors. All Board members have access to accurate, relevant and timely information to fulfill their responsibilities. The Board members in consultation with the Chairman may bring up other matters for consideration at the Board meetings.

### **Information placed before the Board**

Necessary information as required under the Companies Act and the Listing Agreement/SEBI Listing Regulations as applicable have been placed before and reviewed by the Board from time to time. The Board also periodically reviews compliance by the Company with the applicable laws/statutory requirements concerning the business and affairs of the Company.

### **Separate Meeting of Independent Directors**

During the financial year 2015-16, as per the requirement of Schedule IV of the Companies Act, 2013 and the Listing Agreement/SEBI Listing Regulations, one separate meeting of Independent Directors was held on 9th February, 2016 without the presence of the non-independent directors and the members of the management. These meetings were conducted in an informal manner to enable the Independent Directors to discuss and review the performance of non-independent directors and the Board as a whole, performance of the Chairman of the Company and for assessing the quality, quantity and timeliness of flow of information between the Company management and the Board. The Independent Directors also meet the non-executive Chairman to discuss their issues and concerns, if any, and for providing their inputs in this regard.

### **Familiarization Programmes for Board Members**

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings, on business and performance updates of the Company, global business environment, business strategy and risks involved. Detailed presentations on the Company's business segments were made at the separate meetings of the Independent Directors held during the year. The details of such familiarization programmes for Independent Directors are posted on the website of the Company and can be accessed at weblink [http://kaushalinvest.com/policy/DOC\\_168081.Familiarization%20programmes%20of%20ID%20of%20Kaushal%20doc.pdf](http://kaushalinvest.com/policy/DOC_168081.Familiarization%20programmes%20of%20ID%20of%20Kaushal%20doc.pdf) .

### **Code and Policies**

The Board has adopted all applicable codes and policies as per the requirement of the Companies Act, 2013, SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Listing Agreement/SEBI Listing Regulations. The requisite codes and policies are posted on the Company's website at [www.kaushalinvest.co.in](http://www.kaushalinvest.co.in) and references to these codes and policies have been given elsewhere in this Report.

### **Codes of Conduct**

As a member of the Kaushal, the Company had adopted the Code of Conduct for Board Members and Senior Management Personnel" of Kaushal Investments Limited for all its employees including its Wholetime Directors. Kaushal Code of Ethics



anchors ethical and legal behaviour within the organisation. The Board of Directors laid down a separate Code for the Non-Executive Directors of the Company. The aforesaid Codes are available on the Company's website at [http://kaushalinvest.com/code\\_conduct.php](http://kaushalinvest.com/code_conduct.php). All Directors and senior management personnel of the Company as on 31st March, 2016 have individually affirmed their compliance with the applicable Code of Conduct. A declaration signed by the Managing Director (CEO) to this effect is enclosed at the end of this report. The Code of Conduct for the Non-Executive Directors is in line with the provisions of Section 149(8) and Schedule IV of the Companies Act, 2013 and contains brief guidance for professional conduct by the Non-Executive Independent Directors.

During the year, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Board of the Company Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information to ensure timely and adequate disclosure of price sensitive information to the Stock Exchange(s) . The same is also posted on the website of the Company at [www.kaushalinvest.co.in](http://www.kaushalinvest.co.in).

### Committees of the Board

As on 31st March 2016, the Company had three committees of the Board of Directors – Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The minutes of all Board and Committee meetings are placed before the Board and noted by the Directors at the Board meetings. The role, composition and terms of reference of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee including the number of meetings held during the year ended and the related attendance are as follows:

#### Audit Committee

The Committee acts as a link between the management, auditors and the Board of Directors of the Company and has full access to financial information.

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulation with the Stock Exchanges read with Section 177 of the Companies Act, 2013.

As on 31st March, 2016 the Audit Committee comprised of three members Mr. Jitendra Kumar Goyal is the Chairman and Mr. Vidhu Bhushan Verma & Ms. Pooja Agarwalla are the other two members of the Committee. All the members of the Committee have accounting or related financial management expertise.

During the year under review, four meetings of the committee were held on 30.05.2015, 12.08.2015, 13.11.2015 and 08.02.2015. The composition of the committee and attendance at its meeting is given below:

Name of the Chairman / Member	Category	No. of Meetings held	No. of Meetings Attended
Mr. Jitendra Kumar Goyal	Chairman-Non-Executive Independent Director	4	4
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	4	4
Ms. Pooja Agarwalla	Non-Executive Director	4	4

The representatives of Statutory Auditors are permanent invitees to the Audit Committee Meeting.

Mr. Jitendra Kumar Goyal, the Chairman was duly present in Annual General Meeting held on September 30, 2015

All the meetings were held in such time that the gap between any two meetings did not exceed four months; thereby complying with the Companies Act, 2013.

The Committee acts as a link between the management, auditors and the Board of Directors of the Company and has full access to financial information.

**The functions of the Committee include:**

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of statutory auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by them;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory auditor internal adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Vigil Mechanism and Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;





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

21. Reviewing the following information :

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- Reviewing the appointment, removal and terms of remuneration of the Chief internal auditor.

#### **Nomination & Remuneration Committee**

As on 31st March, 2016 the Nomination & Remuneration Committee comprised of three Independent Directors. Mr. Jitendra Kumar Goyal is the Chairman and Mr. Vidhu Bhushan Verma & Ms. Pooja Agarwalla are the other two members of the Committee.

The Committee held two meetings during the year 9th February, 2016 and 2nd March, 2016. On 2nd March, 2016 the Committee recommended the appointment of Mr Rama Kant Mishra as a Company Secretary. Also in that meeting the committee recommended the appointment of Mr. Pankaj Marda as the Chief Financial officer (CFO) of the Company.

The composition of the committee and attendance at its meeting is given below :

<b>Name of the Director</b>	<b>Category</b>	<b>No. of Meetings held</b>	<b>No. of Meetings Attended</b>
Mr. Jitendra Kumar Goyal	Chairman-Non-Executive Independent Director	2	2
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	2	2
Ms. Pooja Agarwalla	Non-Executive Director	2	2

#### **Terms of Reference of the Committee, inter alia, includes the following :**

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- To carry out evaluation of every Director's performance
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees
- To formulate the criteria for evaluation of Independent Directors and the Board
- To devise a policy on Board diversity
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

During the year under review, the Stakeholders Relationship Committee comprised of three Directors, The present Members of the Committee are Mr. Jitendra Kumar Goyal, Chairman, Mr. Vidhu Bhushan Verma and Ms. Pooja Agarwalla

The Committee held one meeting during on 9th February, 2016.



The composition of the committee and attendance at its meeting is given below:

Name of the Director	Category	No. of Meetings held	No. of Meetings Attended
Mr. Jitendra Kumar Goyal	Chairman-Non-Executive Independent Director	1	1
Mr. Vidhu Bhushan Verma	Non-Executive Independent Director	1	1
Ms. Pooja Agarwalla	Non-Executive Director	1	1

**Terms of Reference of the Committee, inter alia, includes the following:**

- To approve all transfers (including transmission, transposition, remat) requests received.
- To review action taken on shareholders' grievances and to advise if any further action to be taken.
- To ensure that correspondence with the shareholders are promptly dealt with by the Company and no cases were pending as on 31st March, 2016.

Shares received for transfer are processed promptly, approved by the Committee and ratified at the following Board Meeting.

The Company did not receive any complaint from any shareholder during the year and no complaint was pending as on 31.03.2016.

Pursuant to Listing Agreement the Company has opened email ID [info@kaushalinvest.co.in](mailto:info@kaushalinvest.co.in) for Grievance Redressal purpose where complaint can be lodged by the Shareholders.

#### **SUBSIDIARY COMPANY**

The Company had no subsidiaries during the financial year

#### **COMPLIANCE OFFICER**

The Company has designated Mr. Rama Kant Mishra, Company Secretary of the Company as Compliance Officer on and from 2nd March, 2016.

Mr. Rama Kant Mishra, Company Secretary

Address: "P-3, New C.I.T. Road, Tiretti, Kolkata - 700073.

Phone Nos.: (033) 2237-4951

Fax : (033) 2243-9601

Email: [info@kaushalinvest.co.in](mailto:info@kaushalinvest.co.in)

Website: [www.kaushalinvest.co.in](http://www.kaushalinvest.co.in)

#### **CORPORATE SOCIAL RESPONSIBILITY**

Provision of Section 135 of the Companies Act, 2013 i.e. Corporate Social Responsibility is not applicable to the company

#### **GENERAL BODY MEETINGS**

Location and time of last three Annual General Meetings:

AGM for the Financial Year	Date	Time	Venue
2012-2013	30.09.2013	2:30 p.m.	P-3, New C.I.T. Road, Tiretti, Kolkata - 700073.
2013-2014	30.09.2014	11:00 a.m.	P-3, New C.I.T. Road, Tiretti, Kolkata - 700073.
2014-2015	30.09.2015	4.00 p.m	P-3, New C.I.T. Road, Tiretti, Kolkata - 700073.



**SPECIAL RESOLUTION PASSED IN THE LAST THREE YEARS**

Date of AGM/ Postal Ballot/EGM	No. of Resolution	Details
Extra Ordinary General Meeting held on 12.03.2014	4	1. Change in Article No. 3 of the Articles of Association (Change in Authorized Share Capital of the Company). 2. Issue and allot 3000000 Equity Shares @ Rs. 10 each on Preferential basis to Non-Promoters. 3. Adoption of New set of Articles of Association. 4. Authorization for grant of Inter Corporate Loans and Investments u/s 372A of the Companies Act, 1956.
Annual General Meeting held on 30.09.2015	1	Appointment of Ms.Nidhi Sihna as a Managing Director of the Company

- a. There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors of the Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large. The related party transactions have been duly disclosed in the “Notes on Accounts” to the Balance Sheet.
- b. There were no cases of non-compliance by the Company and no penalties / strictures imposed on the Company by any Statutory Authority on any matter.
- c. The statutory financial statements of the Company are unqualified.
- d. Reconciliation of Share Capital Audit:  
A Qualified Company Secretary carried out a Share Capital Audit to reconcile the total admitted equity share capital with the National Securities Depository Limited (NSDL) and the Central Depository Services (India) Limited (CDSL) and the total issued and listed equity share capital. The audit report confirms that the total issued/paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.
- e. Code For Prevention Of Insider Trading:  
In compliance with the SEBI Regulations on prevention of Insider Trading, the company has framed a comprehensive Code of Conduct for prevention of Insider Trading for its designated employees. The Code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company, and cautioning them of the consequences of violations The Audit Committee had recommended to the Board the Whistle Blower Policy / Vigil Mechanism which was posted on the Company’s Website i.e. [www.kaushalinvest.com](http://www.kaushalinvest.com)

**MEANS OF COMMUNICATION**

**Quarterly / Annual results**

The unaudited quarterly and annual audited results are regularly published in a leading English Daily Newspaper (Business Standard) and a Bengali Daily ( Newz Bangla / Duranta Barta) whereas the printed Annual Report containing statement of audited accounts and notice convening the Annual General Meeting are mailed to the shareholders, also displayed on the Company’s Website [www.kaushalinvest.com](http://www.kaushalinvest.com)

**Website**

The Company’s corporate website [www.kaushalinvest.com](http://www.kaushalinvest.com) contains comprehensive information about the company. An exclusive section is for Investors wherein annual reports, quarterly / half-yearly financial results, notices, shareholding patterns among others are available for reference or download.



## Annual Report

The Annual Report containing inter alia audited Annual Accounts, Consolidated Financial Statements, Reports of the Auditors and Directors, Chairman's Statement, Management Discussion and Analysis Report and other important information is circulated to the members and displayed on the Company's website.

## Designated exclusive email-id

The Company has designated email-id exclusive for investor services [info@kaushalinvest.com](mailto:info@kaushalinvest.com)

## Intimation to Stock Exchange

The Company intimates the Stock Exchanges about all price sensitive information or such other matters which in its opinion are material and of relevance to the shareholders

## GENERAL SHAREHOLDER INFORMATION

### Annual General Meeting

35th AGM to be held on Thursday, 29th September, 2016 at 1.00 P.M. at Oswal Chamber, Etima, 5th Floor, 2 Church Lane, Kolkata – 700 001.

### Book Closure

The Register of Members and Share Transfer Register will remain closed from Friday 23rd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).

### Financial calendar

#### Financial year : April 1, 2015 to March 31, 2016

The Board Meetings for approval of financial results for financial year 2015-16 were held on the following dates :

<b>First quarter results</b>	August 13, 2015
<b>Second quarter results</b>	November 14, 2015
<b>Third quarter results</b>	February 9, 2016
<b>Fourth quarter and annual results</b>	May 30, 2016

The tentative dates of the Board meetings for consideration of quarterly and annual financial results for the financial year 2016-17 are as follows:

<b>First quarter results</b>	On or before August 14, 2016
<b>Second quarter results</b>	On or before November 14, 2016
<b>Third quarter results</b>	On or before February 14, 2016
<b>Fourth quarter and annual results</b>	On or before May 30, 2017

### Registered Office :

P-3, New C.I.T Road, Tiretti,  
Kolkata-700 073

### Listing of Equity Shares :

The Calcutta Stock Exchange  
Annual Listing Fee has been duly paid

### Demat ISIN Number for NSDL & CDSL :

INE 612E01016



**Name and Address of the Registrar and Share Transfer Agent (RTA)**

M/s. Niche Technologies Pvt. Ltd.  
D-511, Bagri Market, 71, B.R.B.B. Road  
Kolkata-700 001

**Address for Investors' Correspondence**

Shareholders can correspond with the RTA and also direct to the Registered Office of the Company.

**Shareholding Pattern as on 31st March, 2016**

Category	No. of Shares	% of holding
Promoters	NIL	-
Domestic Companies	2900025	92.357
Indian Public	239975	7.643
<b>Total</b>	<b>3140000</b>	<b>100.000</b>

**Distribution of Shareholding as on 31st March, 2016**

No. of Shares	No. of Shareholders	Percentage to total No. of Shareholders	No. of Shares	Percentage to total No. of Shares
Upto 500	480	89.7196	11775	0.3750
501 to 1000	5	0.9346	4600	0.1465
1001 to 5000	24	4.4860	60670	1.9322
5001 to 10000	0	0.0000	0	0.0000
10001 to 50000	5	0.9346	104510	3.3283
50001 to 100000	3	0.5607	258445	8.2307
100001 and above	18	3.3645	2700000	85.9873
<b>Total</b>	<b>535</b>	<b>100.00</b>	<b>3140000</b>	<b>100.00</b>

**Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity**

None

**DISCLOSURES**

**Related-party transactions**

The Company has adopted a policy on dealing with related party transactions and the same is disclosed at the Company's website at [www.kaushalinvest.com](http://www.kaushalinvest.com)

There are no significant transactions with Related Parties, which may have a potential conflict with the interests of the Company.

**Details of non-compliance by the Company, penalties and strictures imposed on the Company by the stock exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

During the year under review there was no cases of non-compliance by the Company and no penalties/strictures imposed on the Company by any Statutory Authority on any matter.

**Accounting treatment in preparation of financial statements**

The Company followed the guidelines as laid down in the Accounting Standards, prescribed by the Institute of Chartered Accountants of India, for the preparation of the financial statements and there is no deviation from it in general.

The Company has adopted a policy for determining material subsidiaries and the same is disclosed at the Company's website at [www.kaushalinvest.com](http://www.kaushalinvest.com)

The Company's Remuneration Policy was adopted by the Nomination & Remuneration Committee and has been attached in Director's Report.



The Audit Committee had recommended to the Board the Whistle Blower Policy / Vigil Mechanism which was posted on the Company's Website i.e. [www.kaushalinvest.com](http://www.kaushalinvest.com)

**CEO (Managing Director)/CFO certification**

The CEO certification as required by Regulation 17(8) of SEBI (Listing and Disclosure Requirement) Regulations, 2015, of is enclosed at the end of the Report.

**Report on Corporate Governance**

The Quarterly Compliance Report has been submitted to the Stock Exchanges where the Company's equity shares are listed in the prescribed format as per SEBI Regulation duly signed by the Company Secretary or Managing Director.

**Compliance**

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this Clause are as below:

**Mandatory requirements**

The Company was fully compliant with mandatory requirements of Listing Regulation.

**CERTIFICATE OF COMPLIANCE OF THE CODE OF CONDUCT OF THE COMPANY**

This is to confirm that a code of conduct for the Board Members and Senior Management Personnel of the Company has been adopted by the Board and the same was also circulated and posted on the website of the Company. The Company received declarations affirming Compliance of the Code from the persons concerned for the period ended 31st March, 2016 and the same has also been noted by the Board.

For and on behalf of the Board  
For **Kaushal Investments Limited**

**Nidhi Sinha**  
*Managing Director*  
(DIN 06393406)

Place: Kolkata  
Date: 30.05.2016



## CEO / CFO CERTIFICATION

To,  
The Board of Directors  
**M/s Kaushal Investments Limited**

### **Re : Financial Statement for the Financial Year 2015-2016 – Certification by Executive Director**

We, Nidhi Sihna, Managing Director and Pankaj Marda, Chief Financial Officer of M/s **Kaushal Investments Limited** on the review of Financial Statements and Cash Flow Statement for the year ended 31st March, 2016 and that to the best of our knowledge and belief, hereby certify that:

1. These statement do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2016 which is fraudulent, illegal or violative of Company's Code of Conduct.
4. We accept responsibility of establishing and maintaining internal control systems of the Company pertaining the financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies in the design and operation of such internal controls of which we am aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
  - i. There have been no significant changes in internal control over financial reporting during the period.
  - ii. There have been no significant changes in accounting policies during the period.

There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

For and on behalf of the Board

Place: Kolkata  
Date: 30.05.2016

**Nidhi Sinha**  
*Managing Director*  
(DIN 06393406)

**Pankaj Marda**  
*CFO*



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## CERTIFICATE OF THE AUDITORS IN RESPECT OF COMPLIANCE OF CORPORATE GOVERNANCE

To the Members of  
**Kaushal Investments Limited**

We have examined the compliance of conditions of corporate governance by **Kaushal Investments Limited ("the Company")** for the year ended on **31st March, 2016** as stipulated in clause 49 of the Listing Agreement ("Listing Agreement") of the Company with Stock Exchange for the period 1st April, 2015 to 30th November, 2015 and as per the relevant provisions of the Securities and Exchange Board Of India (Listing obligations and Disclosure Requirements) Regulations 2015 as referred to in Regulation 15(2) of Listing Regulations for the period 1st December, 2015 to 31st March, 2016.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing regulations, as applicable.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For S. K. Rungta & Co.**  
*Chartered Accountants*  
FRN. 308081E

Place: Kolkata  
Date: 30.05.2016

**(S. K. Rungta)**  
*Proprietor*  
Membership No.: 013860





**ANNEXURE - V**  
**FORM NO. MGT 9**

**EXTRACT OF ANNUAL RETURN**  
**As on financial year ended on 31.03.2016**

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

**I. REGISTRATION & OTHER DETAILS**

1.	CIN	L65993WB1981PLC033363
2.	Registration Date	16/02/1981
3.	Name of the Company	KAUSHAL INVESTMENTS LIMITED
4.	Category/Sub-category of the Company	Public Company/Limited by shares
5.	Address of the Registered office & contact details	P 3 New C I T Road, Tiretti Kolkata – 700073 E-mail – info@kaushalinvest.com Website – info@kaushalinvest.com Contact No. – 033-2237-4951 Fax – 033-2243-9601
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Niche Technologies Private Limited D511, Bagree Market, 5th Floor 71, B.R.B. Basu Road, Kolkata – 700001 Phone No. : 91 33 2235 7270/7271 Fax : 91 33 2215 6823 Email : nichetechpl@nichetechpl.com

**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	Investment Activities	64990	70.35%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name of Company	Address of the Company	CIN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1.	Indigo Dealers Private Limited	C/o. Shri Hanuman Prasad Agrawal, 493/B/1, G.T. Road (South), Panchsheel Appartment, Block-G, Howrah - 711102	U51909WB2008PTC123197	Associate	43.06%	u/s 2(6)
2.	Tirupati Tie-up Private Limited	14, MADAN CHATTERJEE LANE, KOLKATA - 700007	U51109WB2008PTC124848	Associate	42.80%	u/s 2(6)


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

## (i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A.</b>	<b>PROMOTERS</b>									
	(1) Indian									
	a) Individual / HUF	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	b) Central Government	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	c) State Government	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	d) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	e) Banks / Financial Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Sub-total (A)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
	(2) Foreign									
	a) NRIs - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	b) Other - Individuals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	c) Bodies Corporate	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	d) Banks / Financial Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	e) Any Other	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Sub-total (A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>
	<b>Total Shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	
<b>B.</b>	<b>PUBLIC SHAREHOLDING</b>									
	(1) Institutions									
	a) Mutual Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	b) Banks / Financial Institutions	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	c) Central Governments	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	d) State Governments	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	e) Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	f) Insurance Companies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	g) Foreign Institutional Investors (FII)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	h) Foreign Venture Capital Funds	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	i) Others (Specify)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	<b>Sub-total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.000</b>	<b>0.000</b>



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	2900025	0	2900025	92.357	2900025	0	2900025	92.357	0.000
ii) Overseas	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs 1 lakh	23920	53100	77020	2.453	55370	50850	106220	3.383	0.930
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	159955	3000	162955	5.190	133755	0	133755	4.260	-0.930
c) Others Specify									
1. NRI	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2. Overseas Corporate Bodies	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
3. Foreign Nationals	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4. Clearing Members	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
5. Trusts	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
6. Foreign Bodies - D.R.	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Sub-total (B)(2)	3083900	56100	3140000	100.000	3089150	50850	3140000	100.000	0.000
Total Public Shareholding (B) = (B)(1)+(B)(2)	3083900	56100	3140000	100.000	3089150	50850	3140000	100.000	0.000
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
<b>GRAND TOTAL (A+B+C)</b>	<b>3083900</b>	<b>56100</b>	<b>3140000</b>	<b>100.000</b>	<b>3089150</b>	<b>50850</b>	<b>3140000</b>	<b>100.000</b>	<b>0.000</b>

**(ii) Shareholding of Promoters**

SI No.	Category of Shareholders	Shareholding at the beginning of the year			Shareholding at the end of the year			% of change in share-holding during the year
		No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of Shares Pledged/ encumbered to total shares	
	TOTAL	0	NIL	NIL	NIL	NIL	NIL	NIL

**(iii) Change in Promoters' Shareholding**

SI No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	TOTAL	0	0.000	0	0.000

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

SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>BAJRANG DEALCOM PVT. LTD.</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.777
2	<b>BHUTNATH DEVELOPERS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year				
	Date Reason				
	08/01/2016 Transfer	- 150000	4.777		
	c) At the End of the Year			0	0.000
3	<b>BURS FINANCIAL ADVISORY SERVICES PRIVATE</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.777
4	<b>CHANDRIKA DEALCOM PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.777
5	<b>J.N.B. SIDHU FINANCE PVT LTD</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year				
	c) At the End of the Year			150000	4.777
6	<b>KAMALRAJ TRADERS AND FOODS PVT. LTD.</b>				
	a) At the Beginning of the Year	150000	4.777		



SI No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.777
7	<b>KOTHSONS FINANCE &amp; CONSULTANCY PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.777
8	<b>KRIPA DEALTRADE PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.777
9	<b>KUDRAT HOLDINGS PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.77
10	<b>MANIMAYA SALES PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	0	0.000		
	b) Changes during the year				
	Date Reason				
	08/01/2016 Transfer	150000	4.777	150000	4.777
	c) At the End of the Year			150000	4.777
11	<b>MEGACITY MANAGEMENT ADVISORY SERVICES PRIVATE LIMITED</b>				
	a) At the Beginning of the Year	150000	4.777		
	b) Changes during the year	[NO CHANGES DURING THE YEAR]			
	c) At the End of the Year			150000	4.77
	<b>TOTAL</b>	<b>1500000</b>	<b>47.771</b>	<b>1500000</b>	<b>47.771</b>

(v) Shareholding of Directors and Key Managerial Personnel :

SI No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>TOTAL</b>	0	0.000	0	0.000


**V. INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

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

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs/Lac)
		Nidhi Sinha Managing Director	.....	.....	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	3,11,875			3,11,875
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–			–
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	–			–
2	Stock Option	–			–
3	Sweat Equity	–			–
4	Commission				
	- as % of profit	–			–
	- others, specify...				
5	Others, please specify	–			–
	Total (A)	3,11,875			3,11,875
	Ceiling as per the Act				



**B. Remuneration to other directors**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		—	—	—	
1	Independent Directors	N I L			
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (1)				
2	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission				
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (in ₹)
		CEO	CS	CFO	
1	Gross salary		<b>Rama Kant Mishra</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		₹ 45,000		₹ 45,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		—		—
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		—		—
2	Stock Option		—		—
3	Sweat Equity		—		—
4	Commission		—		—
	- as % of profit		—		—
	- others, specify...		—		—
5	Others, please specify		—		—
	<b>Total</b>		₹ 45,000		₹ 45,000



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

	Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A.	COMPANY	N I L				
	Penalty					
	Punishment					
	Compounding					
B.	DIRECTORS					
	Penalty					
	Punishment					
	Compounding					
C.	OTHER OFFICERS IN DEFAULT					
	Penalty					
	Punishment					
	Compounding					





## ANNEXURE - VI

## PARTICULARS OF EMPLOYEES

## PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 134(3)(q) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

## I. REMMUNERATIO PAID TO DIRECTORS

SL	NAME OF THE DIRECTOR	TITLE	REMUNERATION IN F.Y 2015-16 (RS)	REMUNERATION IN F.Y 2014-15	SHARES/ STOCK HELD	% INCREASE OF REMM IN 15-16 AGAINST 14-15	RATIO OF REMM TO MRE (EXCL MD) (Note - 1)	RATIO OF REMM TO MRE (INCL MD) (Note - 1)	RATIO OF REMUNERATION TO REVENUES IN 2016 (Note - 1)	RATIO OF REMUNERATION TO NET PROFIT 2016 (Note - 1)
1	Ms. NIDHI SINHA	MANAGING DIRECTOR (Appointed on 14.01.2015)	311875	63000	NIL	NIL	6.93	1.74.	0.80	-2.07
2	Mr. VIDHU BHUSHAN VERMA	DIRECTOR (Appointed on 30.05.2015)	0.00	NIL	NIL	NIL	0.00	0.00	0.00	0.00
3	Mr. JITENDRA KUMAR GOYAL	DIRECTOR	0.00	NIL	NIL	NIL	0.00	0.00	0.00	0.00
4	Ms. POOJA AGARWALLA	DIRECTOR	0.00	NIL	NIL	NIL	0.00	0.00	0.00	0.00

## II. REMMUNERATIO PAID TO KMP

SL	NAME OF THE KEY MANEGERIAL PERSONNEL	TITLE	REMUNERATION IN F.Y 2015-16 (RS)	REMUNERATION IN F.Y 2014-15	SHARES/ STOCK HELD	% INCREASE OF REMM IN 15-16 AGAINST 14-15	RATIO OF REMM TO MRE (EXCL MD)	RATIO OF REMM TO MRE (INCL MD)	RATIO OF REMUNERATION TO REVENUES IN 2016	RATIO OF REMUNERATION TO NET PROFIT 2016
1	Mr. PANKAJ MARDIA	CFO (Appointed on 02.03.2016)	NIL	NIL	NIL	0.00	0.00	0.00	0.00	0.00
2	Mr. RAMA KANT MISHRA	COMPANY SECRETARY, (Appointed on 02.03.2016)	45000	NIL	NIL	NIL	1.0	0.25	0.11	-0.29

## NOTES :

- Calculation based on annualized salary.
- Salary includes bonus amount.
- No remuneration is paid to any Non-Executive Director during the period.
- The Median Remuneration of Employees (MRE) including Managing Directors (MD) was Rs. 178437.50 in the financial year 2015-16.
- The Median Remuneration of Employees (MRE) excluding Managing Directors (MD) was Rs. 45,000 in the financial year 2015-16.
- The number of permanent employees in the rolls of the company as on 31.03.2016 and 31.03.2015 were 2 and 2 respectively.
- The revenue decreased during the Financial year 2015-16 was 63.41% over the Financial year 2014-15 and net profit decreased by 283.10%.
- The aggregate remuneration of employees excluding Managing Director decline by 74.04%, and, the aggregate remuneration of employees including Managing Director decline by 9.35%.



- I. The Company being listed in CSE has the following market capitalizations :
1. At CSE the market capitalization stands at Rs.1,25,60000 (Divided into 31,40,000 Equity Shares @ Rs. 4.00 each). The shares of the company were last traded on 28/12/2001. The growth in market capitalization remained stagnant.
- J. The company has a Nomination & Remuneration Policy in place, and it is strictly followed for fixation and payment of remuneration to the managerial personnel and other employees of the company. The policy has been developed with adherence to the Companies Act, 2013 and all other statutes as applicable.
- K. During the Financial year 2015-16 no employee received remuneration in excess of the highest paid Director.



## INDEPENDENT AUDITORS' REPORT

To,  
The Members of  
**Kaushal Investments Limited**

### REPORT ON THE STANDALONE FINANCIAL STATEMENTS

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

### MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidences about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatements in the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### OPINION

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 Act in the manner so required and give a true and fair view in



conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2016 and its Profit and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS :**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of accounts;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31st March 2016 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March 2016 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 control, refer to the separate Report in Annexure B and
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - a. The Company does not have any pending litigations which would impact its financial position.
    - b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses. However the Company does not have any ongoing long-term contracts including derivative contracts as on the Balance sheet date.
    - c. There are no such amounts appearing in the books which are required to be transferred to the Investor Education and Protection Fund by the Company.

For **S. K. Rungta & Co.**  
Chartered Accountants  
FRN: 308081E

**S. K. Rungta**  
(Proprietor)  
Membership No. 13860

Place: Kolkata  
Date : 30/05/2016



## ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our report of even date to the members of **KAUSHAL INVESTMENTS LIMITED** on accounts of the Company for the year ended on March 31, 2016.

In our opinion and to the best of our information and according to the explanations given to us we certify that :

- (i) Based on our scrutiny of the Company's Books of Accounts and other records and according to the information and explanations received by us from the Management, we are of the opinion that the question of commenting on the maintenance of proper records of fixed assets, physical verification of fixed assets and title of fixed assets does not arise since the Company had no fixed assets as on 31.03.2016.
- (ii) Based on our scrutiny of the Company's Books of Accounts and other records and according to the information and explanations received by us from the Management, we are of the opinion that the question of commenting on the physical verification of inventory does not arise since the Company had no inventories as on 31.03.2016.
- (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.
- (iv) The provisions of Clause 3 (iv) of the order are not applicable to the Company as the company has not provided any loan or made any investment.
- (v) The Company has not accepted any Loan during the financial year. The Company has pledge it Fixed Deposit for securing bank overdraft.
- (vi) Maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 was not applicable during the financial year.
- (vii) (a) The company is regular in depositing undisputed statutory dues including, income-tax, service tax, value added tax, cess and any other statutory dues to the appropriate authorities and the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned were not for a period of more than six months from the date they became payable.  
(b) No dues of income tax, or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).
- (viii) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders.
- (ix) No moneys were raised by way of initial public offer or further public offer (including debt instruments).
- (x) That no instance of any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company as defined under the provisions of the Companies Act, 2013, and that the Nidhi Rules, 2014 were not applicable on the company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013. And, the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;



- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence requirements under section 42 of the Companies Act, 2013 were not attracted.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the provisions of section 192 of Companies Act, 2013 were not attracted.
- (xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India, 1934. Accordingly, the provisions of Clause 3 (xvi) of the order are not applicable to the Company.

For **S. K. Rungta & Co.**  
Chartered Accountants  
FRN: 308081E

**S. K. Rungta**  
(Proprietor)  
Membership No. 013860

Place: Kolkata  
Date : 30/05/2016



## ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT

### Report on Internal Financial Controls Over Financial Reporting

#### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of M/s **KAUSHAL INVESTMENTS LIMITED** (“the Company”) as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in 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 company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### AUDITORS’ RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and



3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. K. Rungta & Co.**  
Chartered Accountants  
FRN: 308081E

**S. K. Rungta**  
(Proprietor)  
Membership No. 013860

Place: Kolkata  
Date : 30/05/2016



**BALANCE SHEET** as at 31 March 2016

(Amount in ₹)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' Funds</b>			
(a) Share Capital	1	<b>3,14,00,000</b>	3,14,00,000
(b) Reserves and Surplus	2	<b>8,42,057</b>	9,92,768
(2) <b>Current Liabilities</b>			
(a) Short Term Borrowings	3	<b>16,78,451</b>	17,15,888
(b) Other current liabilities	4	<b>45,30,679</b>	16,250
(c) Short-Term Provisions	5	<b>75,484</b>	69,438
<b>Total</b>		<b>3,85,26,671</b>	<b>3,41,94,344</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Non-current investments	6	<b>3,48,49,317</b>	3,05,82,817
(2) <b>Current assets</b>			
(a) Cash and cash equivalents	7	<b>35,75,487</b>	35,32,976
(b) Short-term loans and advances	8	<b>1,01,868</b>	78,448
(c) Trade Receivables	9	-	104
<b>Total</b>		<b>3,85,26,671</b>	<b>3,41,94,344</b>

Significant accounting policies

Notes on Accounts

1-15

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

In terms of our attached report of even date.

For **S.K.RUNGTA & CO.**

CHARTERED ACCOUNTANTS

FRN 308081E

**(S.K.Rungta)**

Proprietor

Membership No. 013860

Place : Kolkata

Date: 30.05.2016

**Nidhi Sinha**  
Managing Director  
DIN: 06393406**Jitendra Kumar Goyal**  
Director  
DIN: 00468744**Rama Kant Mishra**  
Company Secretary



## STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue From Operations	10	2,73,413	3,55,992
I. Other Income	11	1,15,234	7,06,067
<b>Total Revenue</b>		<b>3,88,647</b>	<b>10,62,059</b>
II. Expenses :			
Employee Benefit Expenses	12	3,56,875	3,93,666
Finance Cost	13	12,713	55,417
Other expenses	14	1,63,724	4,92,229
<b>Total Expenses</b>		<b>5,33,312</b>	<b>9,41,312</b>
III. Profit before tax (I - II)		<b>(1,44,665)</b>	1,20,747
IV. Tax expense:			
- Current tax		6,046	38,438
V. Profit for the period (III - IV)		<b>(1,50,711)</b>	82,309
VI. Earnings per equity share of face value of Rs.10 each:			
(1) Basic & Diluted		<b>(0.05)</b>	0.03

Significant accounting policies

Notes on Accounts

1-15

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

In terms of our attached report of even date.

For **S.K.RUNGTA & CO.**

CHARTERED ACCOUNTANTS

FRN 308081E

**(S.K.Rungta)**

Proprietor

Membership No. 013860

Place : Kolkata

Date: 30.05.2016

**Nidhi Sinha**  
Managing Director  
DIN: 06393406

**Jitendra Kumar Goyal**  
Director  
DIN: 00468744

**Rama Kant Mishra**  
Company Secretary

**CASH FLOW STATEMENT** for the year ended 31st March 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary Items	(1,44,665)	1,20,747
Adjustment for :		
Depreciation	-	-
Provision For Gratuity Written Back	-	-
(Profit)/Loss on sale of Fixed Assets	-	(47)
Interest paid	12,713	55,417
	(1,31,952)	1,76,117
<b>Adjustment for :</b>		
Interest Received	(2,73,413)	(3,56,189)
Dividend Received	(150)	(540)
(Income)/ Loss on Sale of Investments	-	(4,54,893)
Others	-	-
Operating Profit before Working Capital changes	(4,05,515)	(6,35,505)
Adjustment for :		
Current Assets	(23,317)	2,19,964
Current Liabilities	45,20,475	(3,00,692)
(Increase)/Decrease in Net Current Assets	44,97,159	(80,728)
Cash generated from Operations	40,91,644	(7,16,233)
Interest paid	(12,713)	(55,417)
Taxation	(6,046)	(38,438)
Cash Flow before extraordinary items	40,72,885	(8,10,088)
Write back of Statutory Provisions	-	-
Preliminary Expenditure	-	-
Additional tax adjustments for earlier year	40,72,885	(8,10,088)
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
<b>(Purchase)/Sale of Fixed Assets</b>	-	53
Write Offs	-	-
Profit on Sale of Fixed Assets	-	47
Decrease / (Increase) of Investments	(42,66,500)	(2,97,92,396)
Interest Received	2,73,413	3,56,189
Dividend Received	150	540
Income from Investment	-	4,54,893
Others	-	-
Net Cash used in investing activities (B) :	(39,92,937)	(2,89,80,674)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Proceeds from issue of Share Capital</b>	-	2,90,00,000
Increase /(decrease) in Borrowing	(37,437)	17,15,888
Share Premium	-	-
Deferred Expenditure	-	-
Dividend paid	-	-
Net Cash from Financing activities (C) :	(37,437)	3,07,15,888
<b>Net increase in Cash and Cash equivalents (A+B+C) :</b>	42,511	9,25,126
<b>Cash and Cash equivalents at the beginning of the year</b>	35,32,976	26,07,850
<b>Cash and Cash equivalents at the close of the year</b>	35,75,487	35,32,976

For **S.K.RUNGTA & CO.**  
 CHARTERED ACCOUNTANTS  
 FRN 308081E

**(S.K.Rungta)**  
 Proprietor  
 Membership No. 13860

**Nidhi Sinha**  
 Managing Director  
 DIN: 06393406

**Jitendra Kumar Goyal**  
 Director  
 DIN: 00468744

Place : Kolkata  
 Date: 30.05.2016

**Rama Kant Mishra**  
 Company Secretary



## SIGNIFICANT ACCOUNTING POLICIES to the financial statements for the year ended on 31st March 2016

a. **General :**

The Company follows the Mercantile System of Accounting and recognises Income & Expenditure on Accrual Basis. The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act, 2013 as applicable.

b. **Revenue Recognition:**

Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection. Dividend income is recognized on receipt basis. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable. Sales are recognized on passing of ownership in shares.

c. **Investments:**

Investments have been valued at Cost. Provision for diminutions in the value is not considered unless such short fall.

d. **Taxation:**

Provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

**Significant accounting policies form integral part of the financial Statements for the year ended on 31/03/2016.**

### Signatures to Significant accounting Policies

In terms of our attached report of even date.

For **S.K.RUNGTA & CO.**  
CHARTERED ACCOUNTANTS  
FRN 308081E

**(S.K.Rungta)**  
*Proprietor*  
Membership No. 013860

Date : 30.05.2016  
Place : Kolkata

**Nidhi Sinha**  
*Managing Director*  
DIN: 06393406

**Jitendra Kumar Goyal**  
*Director*  
DIN: 00468744

**Rama Kant Mishra**  
*Company Secretary*



**NOTES TO FINANCIAL STATEMENTS** for the year ended 31st March 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
<b>1. SHARE CAPITAL</b>		
<b>Authorised:</b>		
3500000 Equity Shares of Rs 10 Each	<b>3,50,00,000</b>	3,50,00,000
<b>Issued, subscribed and fully paid up</b>		
3140000 (240000) Equity Shares of Rs 10 Each fully paid up in cash	<b>3,14,00,000</b>	3,14,00,000

**a. Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	31st March 2016		31st March 2015	
	% of shares	No. of shares	% of shares	No. of shares
N I L				

**b. Reconciliation of share capital at beginning and end of accounting year**

Particulars	Opening Balance	Fresh issue during the year	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2016			
- Number of shares	31,40,000	-	<b>31,40,000</b>
Amount (Rs.)	3,14,00,000	-	<b>3,14,00,000</b>
Year ended 31 March, 2015			
- Number of shares	2,40,000	29,00,000	<b>31,40,000</b>
Amount (Rs.)	24,00,000	2,90,00,000	<b>3,14,00,000</b>

**c. Equity shares carry voting rights at the General Meetings of the Company, and are entitled to dividend and to participate in surplus, if any, in the event of winding up.**

	31st March 2016		31st March 2015	
<b>2. Reserves and Surplus</b>				
<b>Profit &amp; Loss A/c</b>				
<b>Opening Balance</b>	9,92,768		9,10,459	
Add : Profit For the Year	(1,50,711)		82,309	
Add/(Less): Excess/(Short) Provision for earlier years	-		-	
Less: Deferred Tax Asset Written off	-	<b>8,42,057</b>	-	9,92,768
		<b>8,42,057</b>		9,92,768

	31st March 2016	31st March 2015
<b>3. Short Term Borrowings</b>		
From : The IDBI Bank Ltd. O/D 00107 (Against Pledge of Fixed Deposit of Rs. 33,00,000)	<b>16,78,451</b>	17,15,888



## NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2016

(Amount in ₹)

	31st March 2016	31st March 2015
<b>4. Other Current Liabilities</b>		
Sundry Creditors for Investments	45,00,000	-
Liability for expenses	30,679	16,250
	<b>45,30,679</b>	<b>16,250</b>

	31st March 2016	31st March 2015
<b>5. Short Term Provisions</b>		
Provision for Taxation (Net of Advance Taxes)	75,484	69,438
	<b>75,484</b>	<b>69,438</b>

### 6. Non-Current Investments (At Cost)

Particulars	Face Value	31st March 2016		31st March 2015	
		No. of Shares	Value ₹	No. of Shares	Value ₹
<b>Non-Trade Investments</b>					
<b>Equity - Quoted</b>					
Bihar Alloy & Steels Ltd.	-	100	675	100	675
Daewoo Motors Ltd.	10	125	1,250	125	1,250
Ispat Industries Ltd.	10	40	880	40	880
Mangalore Chemicals & Fert. Ltd.	10	200	1,100	200	1,100
Solarson Industries Ltd.	-	1,000	6,250	1,000	6,250
Standard Medical and Pharmaceuticals Ltd.	10	250	938	250	938
Woolcombers of India Ltd.	10	400	1,200	400	1,200
Xpro India Ltd. (including bonus)	10	163	6,048	163	6,048
<b>Equity - Unquoted</b>					
Aurelian Commercial Pvt Ltd	10	25,000	15,87,500	-	-
Aurelian Trading Pvt Ltd	10	20,000	2,00,000	-	-
Fastflow Commedeal Limited	10	700	7,000	-	-
D.L.Millar & Co. Ltd.	2	4,850	10,476	4,850	10,476
Mahindra Housing Finance Ltd.	10	200	2,000	200	2,000
Goldmoon Commotrade Pvt Ltd	10	7,500	75,000	-	-
Hariom Dealmark Pvt Ltd		1,000	2,50,000	-	-
Horizon Agro Processing Pvt Ltd	10	670	67,000	170	17,000
Icon Commotrade Pvt Ltd		5,000	50,000	-	-
Littlestar Tracom Pvt Ltd	10	1,500	15,000	-	-
Mayborn Investments Pvt Ltd	10	1,07,575	19,72,500	75	7,500
Moti Finvest Ltd	10	1,15,000	2,30,00,000	1,15,000	2,30,00,000
Merit Commosales Pvt Ltd	10	6,000	60,000	7,750	15,50,000
Manikan Devcon Pvt Ltd	10	6,000	1,20,000	6,000	1,20,000
Nexus Dealtrade Pvt Ltd	10	5,150	8,95,000	1,730	3,46,000
Nexus Vinimay Pvt Ltd	10	2,400	2,56,750	5,475	2,87,500
Prakash Estates Pvt. Ltd.	10	24,000	4,80,000	-	-



**NOTES TO FINANCIAL STATEMENTS** for the year ended 31st March 2016

(Amount in ₹)

Particulars	Face Value	31st March 2016		31st March 2015	
		No. of Shares	Value ₹	No. of Shares	Value ₹
Shreyans stockinvest Pvt Ltd	100	700	70,000		
Silverlake Tradelinks Pvt Ltd	10	575	5,750		
Skylight Vintrade Pvt Ltd	10	5,000	50,000	5,000	10,00,000
Success Dealers Pvt Ltd	10	5,000	50,000	–	–
Silverlake Tradelinks Pvt Ltd	10	–	–	25,000	2,50,000
Venus Commotrade Pvt Ltd	10	5,000	12,50,000	–	–
<b>Preference - Unquoted</b>					
Dignity Dealtrade Pvt Ltd	10	2,915	5,83,000	1,000	2,00,000
<b>Investment in Associates</b>					
Indigo Dealers Pvt. Ltd.	10	1,63,400	16,34,000	1,63,400	16,34,000
Tirupati Tie-up Pvt. Ltd.	10	2,14,000	21,40,000	2,14,000	21,40,000
			3,48,49,317		3,05,82,817
<b>Aggregate value of Quoted Investments</b>			18341		18341
Market Value of Quoted Equity Shares			10,055		27,706
Break up Values of Unquoted Equity Shares			9,89,38,477		8,15,42,003
Break up Values of Unquoted Preference Shares			29,150		10,000

Particulars	31st March 2016	31st March 2015
<b>7. Cash &amp; Cash Equivalents:</b>		
Cash In Hand (As certified By Management)	29,578	38,418
Balances with Banks in Current Accounts	1,26,690	2,61,326
Fixed deposits with bank	33,00,000	30,00,000
Accrued Interest on Fixed Deposit	1,19,219	2,33,232
<b>Total</b>	<b>35,75,487</b>	<b>35,32,976</b>

Particulars	31st March 2016	31st March 2015
<b>8. Short Term Loans &amp; Advances:</b>		
Advance Income Tax including TDS	95,126	64,964
Advances (Recoverable in cash or in kind or for the value to be received)	–	–
Advance to CDSL For 15-16 & 16-17	6,742	13,483
	<b>1,01,868</b>	<b>78,448</b>

Particulars	31st March 2016	31st March 2015
<b>9. Trade Receivables</b>		
Unsecured Considered good (Less Than Six months from the date they become due)	–	104
	–	104


**NOTES TO FINANCIAL STATEMENTS** for the year ended 31st March 2016

(Amount in ₹)

Particulars	2015-2016	2014-2015
<b>10. Revenue From Operations</b>		
Interest	2,73,413	3,55,992
(Tax deducted at source Rs.27,342 , PY 35,618)		
	<b>2,73,413</b>	3,55,992

Particulars	2015-2016	2014-2015
<b>11. Other Income:</b>		
Dividend	150	540
Interest on I.T.Refund		197
Net gain/(loss) on sale of Non-current Investments		4,54,893
Profit/(Loss) on sale of Fixed Assets	-	47
Profit From derivative Trading	1,15,084	2,50,390
	<b>1,15,234</b>	7,06,067

Particulars	2015-2016	2014-2015
<b>12. Employee benefit expenses</b>		
Managing Directors Remuneration	3,11,875	2,20,333
Salaries & Bonus	45,000	1,73,333
	<b>3,56,875</b>	3,93,666

Particulars	2015-2016	2014-2015
<b>13. Finance Cost</b>		
Bank Interest Paid	12,713	55,417
	<b>12,713</b>	55,417



**NOTES TO FINANCIAL STATEMENTS** for the year ended 31st March 2016

(Amount in ₹)

Particulars	2015-2016	2014-2015
<b>14. Other Expenses</b>		
Payment to auditors	5,000	5,000
Advertisement	17,632	21,034
Bank Charges	6,191	375
Demat Charges	813	2,226
Depository Charges	21,622	55,056
Filing Fees	7,800	18,400
General Expenses	356	13,164
Listing Fees	28,090	1,24,158
Merchant Bankers Fees	-	1,12,360
Postage & Telegram	9,908	2,931
Printing & Stationery	19,210	7,150
Processing & Execution Charges	-	11,236
Professional Fees	15,948	92,311
Professional Tax	2,500	2,500
RTA Fees	25,404	20,225
STT Charges	-	853
Trade License Fees	3,250	3,250
	<b>1,63,724</b>	<b>4,92,229</b>



## NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2016

(Amount in ₹)

### 15. OTHER NOTES:

- Previous year figures have been regrouped/rearranged wherever considered necessary.
- Contingent Liabilities & Contracts on capital account: NIL
- Related Party Transactions**

Name of the Related Party (Nature of Relationship)	Nature of Transactions	Volume of Transactions	Provisions for doubtful debts due from such parties at that date	Amount written off or written back in the period in respect of debts due from or to related parties
Nidhi Sinha, Managing Director	Remuneration Paid	311875	NIL	NIL
Rama Kant Mishra, Company Secretary	Remuneration Paid	45000	NIL	NIL
Indigo Dealers Pvt. Ltd. (Associate Company)	Investments	1634000 / 43.06%	NIL	NIL
Tirupati Tie-up Pvt. Ltd. (Associate Company)	Investments	2140000 / 42.80%	NIL	NIL

Notes 1 -15 form integral part of the financial Statements for the year ended on 31/03/2016.

### Signatures to Notes 1-15

In terms of our attached report of even date.

**For S.K.RUNGTA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN 308081E**

**(S. K. Rungta)**  
*Proprietor*  
 Membership No. 013860

Date : 30.05.2016  
 Place : Kolkata

**Nidhi Sinha**  
*Managing Director*  
 DIN: 06393406

**Jitendra Kumar Goyal**  
*Director*  
 DIN: 00468744

**Rama Kant Mishra**  
*Company Secretary*



## INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To,  
The Members of  
**Kaushal Investments Limited**

### REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

We have audited the accompanying consolidated financial statements of **KAUSHAL INVESTMENTS LIMITED** ("the Company"), and its associated companies ("the company and its associated companies together referred as "the Group ") which comprise the consolidated balance sheet as at 31st March 2016, the consolidated Statement of profit and loss and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information ("the Consolidated financial statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Board of Directors are responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of consolidated financial performance and consolidated cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act as applicable. The respective Board of Directors of the Company and its associate companies are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error which have been used for the purpose of preparation of these consolidated financial statements by the Board of Directors of the Company.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

While conducting the audit we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidences about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidences obtained by us and the audit evidence obtained by the other auditors referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2016 and its consolidated Profit and its consolidated cash flows for the year ended on that date.

**OTHER MATTER**

We did not audit the financial statements of direct associates companies, whose financial for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these associates is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and are report on Other Legal and Regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 consolidated financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion, the consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors of the Company as on 31st March 2016 taken on record by the Board of Directors of the company and the reports of the statutory auditors of its associate companies incorporated in India, none of the directors are disqualified as on 31st March 2016 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 and the operating effectiveness of such controls, refer to our audit report in "Annexure A" which is based on the Auditor's Reports of the Company and its associate companies incorporated in India. Our reports expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Company and its associate companies incorporated in India.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The Group has disclosed the impact of pending litigations on the consolidated financial position of the Group in its consolidated financial statements as of March 31, 2016.
  - ii. The Group has made provisions in its consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its associate companies incorporated in India.

For **S. K. Rungta & Co.**  
Chartered Accountants  
FRN: 308081E

**S. K. Rungta**  
(Proprietor)  
Membership No. 13860

Place: Kolkata  
Date : 30/05/2016



## ANNEXURE-A TO THE AUDITOR'S REPORT

### REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of consolidated financial statement of the Company as of the year ended 31st March, 2016, we have audited the internal financial controls over financial reporting of **M/S KAUSHAL INVESTMENT LIMITED ("the Holding Company")** and its associate companies as on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

#### AUDITORS' RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and



3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

#### **OPINION**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S. K. Rungta & Co.**  
Chartered Accountants  
FRN: 308081E

**S. K. Rungta**  
(Proprietor)  
Membership No. 013860

Place: Kolkata  
Date : 30/05/2016

**CONSOLIDATED BALANCE SHEET** as at 31 March 2016

(Amount in ₹)

Particulars	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
(1) <b>Shareholders' Funds</b>			
(a) Share Capital	1	<b>3,14,00,000</b>	3,14,00,000
(b) Reserves and Surplus	2	<b>10,90,353</b>	9,92,768
(2) <b>Current Liabilities</b>			
(a) Short Term Borrowings	3	<b>16,78,451</b>	1,715,888
(b) Other current liabilities	4	<b>45,30,679</b>	16,250
(c) Short-Term Provisions	5	<b>75,484</b>	69,438
<b>Total</b>		<b>3,87,74,967</b>	<b>3,41,94,344</b>
<b>II. ASSETS</b>			
(1) <b>Non-current assets</b>			
(a) Non-current investments	6	<b>3,50,97,613</b>	3,05,82,817
(2) <b>Current assets</b>			
(a) Cash and cash equivalents	7	<b>35,75,487</b>	35,32,976
(b) Short-term loans and advances	8	<b>1,01,868</b>	78,448
(c) Trade Receivables	9	<b>-</b>	104
<b>Total</b>		<b>3,87,74,967</b>	<b>3,41,94,344</b>

**Significant accounting policies****Notes on Accounts**

1-15

**The accompanying notes form an integral part of the financial statements.**

In terms of our attached report of even date.

For **S.K.RUNGTA & CO.**

CHARTERED ACCOUNTANTS

FRN 308081E

**(S.K.Rungta)***Proprietor*

Membership No. 013860

Place : Kolkata

Date: 30.05.2016

**Nidhi Sinha**  
*Managing Director*  
DIN: 06393406**Jitendra Kumar Goyal**  
*Director*  
DIN: 00468744**Rama Kant Mishra**  
*Company Secretary*



## CONSOLIDATED STATEMENT OF PROFIT AND LOSS for the year ended 31st March, 2016

(Amount in ₹)

Particulars	Notes	For the year ended March 31, 2016	For the year ended March 31, 2015
I. Revenue From Operations	10	2,73,413	3,55,992
Other Income	11	1,15,234	7,06,067
<b>Total Revenue</b>		<b>3,88,647</b>	<b>10,62,059</b>
II. Expenses :			
Employee Benefit Expenses	12	3,56,875	3,93,666
Finance Cost	13	12,713	55,417
Other Expenses	14	1,63,724	4,92,229
<b>Total Expenses</b>		<b>5,33,312</b>	<b>9,41,312</b>
III. Profit before tax (I - II)		<b>(1,44,665)</b>	1,20,747
IV. Tax expense:			
- Current tax		6,046	38,438
V. Profit for the period (III - IV)		<b>(1,50,711)</b>	82,309
VI. Share of Profit of Associates		2,48,296	-
VII. Profit for the year (after adjustment for share of Associates (VI - V))		<b>97,585</b>	82,309
VIII. Earnings per equity share of face value of Rs.10 each :			
(1) Basic & Diluted		<b>0.03</b>	0.03

**Significant accounting policies**

**Notes on Accounts**

1-15

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

In terms of our attached report of even date.

For **S.K.RUNGTA & CO.**

CHARTERED ACCOUNTANTS

FRN 308081E

**(S.K.Rungta)**

Proprietor

Membership No. 013860

Place : Kolkata

Date: 30.05.2016

**Nidhi Sinha**  
Managing Director  
DIN: 06393406

**Jitendra Kumar Goyal**  
Director  
DIN: 00468744

**Rama Kant Mishra**  
Company Secretary



**CONSOLIDATED CASH FLOW STATEMENT** for the year ended 31st March 2016

(Amount in ₹)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary Items	(1,44,665)	1,20,747
Share of Profit of Associates	2,48,296	-
Adjustment for :		
Depreciation	-	-
Provision For Gratuity Written Back	-	-
(Profit)/Loss on sale of Fixed Assets	-	(47)
Interest paid	12,713	55,417
	1,16,344	1,76,117
<b>Adjustment for :</b>		
Interest Received	(2,73,413)	(3,56,189)
Dividend Received	(150)	(540)
(Income)/ Loss on Sale of Investments	-	(4,54,893)
Others	-	-
Operating Profit before Working Capital changes	(1,57,219)	(6,35,505)
Adjustment for :		
Current Assets	(23,317)	2,19,964
Current Liabilities	45,20,475	(3,00,692)
(Increase)/Decrease in Net Current Assets	44,97,159	(80,728)
Cash generated from Operations	43,39,940	(7,16,233)
Interest paid	(12,713)	(55,417)
Taxation	(6,046)	(38,438)
Cash Flow before extraordinary items	43,21,181	(8,10,088)
Write back of Statutory Provisions	-	-
Preliminary Expenditure	-	-
Additional tax adjustments for earlier year	43,21,181	(8,10,088)
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
(Purchase)/Sale of Fixed Assets	-	53
Write Offs		
Profit on Sale of Fixed Assets	-	47
Decrease / (Increase) of Investments	(45,14,796)	(2,97,92,396)
Interest Received	2,73,413	3,56,189
Dividend Received	150	540
Income from Investment	-	4,54,893
Others	-	-
Net Cash used in investing activities (B) :	(42,41,233)	(2,89,80,674)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Share Capital	-	2,90,00,000
Increase /(decrease) in Borrowing	(37,437)	17,15,888
Share Premium	-	-
Deferred Expenditure	-	-
Dividend paid	-	-
Net Cash from Financing activities (C) :	(37,437)	3,07,15,888
<b>Net increase in Cash and Cash equivalents (A+B+C) :</b>	42,511	9,25,126
<b>Cash and Cash equivalents at the beginning of the year</b>	35,32,976	26,07,850
<b>Cash and Cash equivalents at the close of the year</b>	35,75,487	35,32,976

For **S.K.RUNGTA & CO.**  
 CHARTERED ACCOUNTANTS  
 FRN 308081E

**(S.K.Rungta)**  
 Proprietor  
 Membership No. 13860

**Nidhi Sinha**  
 Managing Director  
 DIN: 06393406

**Jitendra Kumar Goyal**  
 Director  
 DIN: 00468744

Place : Kolkata  
 Date: 30.05.2016

**Rama Kant Mishra**  
 Company Secretary



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** for the year ended 31st March 2016  
(Amount in ₹)

Particulars	31st March 2016	31st March 2015
<b>1. SHARE CAPITAL</b>		
<b>Authorised:</b>		
3500000 Equity Shares of Rs 10 Each	3,50,00,000	3,50,00,000
<b>Issued, subscribed and fully paid up</b>		
3140000 (3140000) Equity Shares of Rs 10 Each fully paid up in cash	3,14,00,000	3,14,00,000

**a. Details of shareholders holding more than 5% shares in the company**

Name of Shareholder	31st March 2016		31st March 2015	
	% of shares	No. of shares	% of shares	No. of shares
N I L				

**b. Reconciliation of share capital at beginning and end of accounting year**

Particulars	Opening Balance	Fresh issue during the year	Closing Balance
Equity shares with voting rights			
Year ended 31 March, 2016			
- Number of shares	31,40,000	-	31,40,000
Amount (Rs.)	3,14,00,000	-	3,14,00,000
Year ended 31 March, 2015			
- Number of shares	2,40,000	29,00,000	31,40,000
Amount (Rs.)	24,00,000	2,90,00,000	3,14,00,000

**c. Equity shares carry voting rights at the General Meetings of the Company, and are entitled to dividend and to participate in surplus, if any, in the event of winding up.**

	31st March 2016		31st March 2015	
<b>2. Reserves and Surplus</b>				
<b>Profit &amp; Loss A/c</b>				
<b>Opening Balance</b>	9,92,768		9,10,459	
Add : Profit For the Year	97,585		82,309	
Add/(Less): Excess/(Short) Provision for earlier years	-		-	
Less: Deferred Tax Asset Written off	-	10,90,353	-	9,92,768
		10,90,353		9,92,768

	31st March 2016	31st March 2015
<b>3. Short Term Borrowings</b>		
From : The IDBI Bank Ltd. O/D 00107 (Against Pledge of Fixed Deposit of Rs. 33,00,000)	16,78,451	17,15,888



**NOTES ON CONSOLIDATED FINANCIAL STATEMENTS** for the year ended 31st March 2016  
(Amount in ₹)

	31st March 2016	31st March 2015
<b>4. Other Current Liabilities</b>		
Sundry Creditors for Investments	45,00,000	–
Liability for expenses	30,679	16,250
	<b>45,30,679</b>	<b>16,250</b>

	31st March 2016	31st March 2015
<b>5. Short Term Provisions</b>		
Provision for Taxation (Net of Advance Taxes)	75,484	69,438
	<b>75,484</b>	<b>69,438</b>

**6. Non-Current Investments (At Cost)**

Particulars	Face Value	31st March 2016		31st March 2015	
		No. of Shares	Value ₹	No. of Shares	Value ₹
<b>Non-Trade Investments</b>					
<b>Equity - Quoted</b>					
Bihar Alloy & Steels Ltd.	–	100	675	100	675
Daewoo Motors Ltd.	10	125	1,250	125	1,250
Ispat Industries Ltd.	10	40	880	40	880
Mangalore Chemicals & Fert. Ltd.	10	200	1,100	200	1,100
Solarson Industries Ltd.	–	1,000	6,250	1,000	6,250
Standard Medical and Pharmaceuticals Ltd.	10	250	938	250	938
Woolcombers of India Ltd.	10	400	1,200	400	1,200
Xpro India Ltd. (including bonus)	10	163	6,048	163	6,048
<b>Equity - Unquoted</b>					
Aurelian Commercial Pvt Ltd	10	25,000	15,87,500	–	–
Aurelian Trading Pvt Ltd	10	20,000	2,00,000	–	–
D.L.Millar & Co. Ltd.	2	4,850	10,476	4,850	10,476
Fastflow Commodeal Ltd.	10	700	7,000	–	–
Mahindra Housing Finance Ltd.	10	200	2,000	200	2,000
Goldmoon Commotrade Pvt Ltd	10	7,500	75,000	–	–
Hariom Dealmark Pvt Ltd		1,000	2,50,000	–	–
Horizon Agro Processing Pvt Ltd	10	670	67,000	170	17,000
Icon Commotrade Pvt Ltd		5,000	50,000	–	–
Littlestar Tracom Pvt Ltd	10	1,500	15,000	–	–
Mayborn Investments Pvt Ltd	10	1,07,575	19,72,500	75	7,500
Moti Finvest Ltd	10	1,15,000	2,30,00,000	1,15,000	2,30,00,000
Merit Commosales Pvt Ltd	10	6,000	60,000	7,750	15,50,000
Manikan Devcon Pvt Ltd	10	6,000	1,20,000	6,000	1,20,000
Nexus Dealtrade Pvt Ltd	10	5,150	8,59,000	1,730	3,46,000
Nexus Vinimay Pvt Ltd	10	2,400	2,56,750	5,475	2,87,500
Prakash Estates Pvt. Ltd.	10	24,000	4,80,000	–	–



## NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2016

(Amount in ₹)

Particulars	Face Value	31st March 2016			31st March 2015	
		No. of Shares		Value ₹	No. of Shares	Value ₹
Shreyans stockinvest Pvt Ltd	100	700		70,000		
Silverlake Tradelinks Pvt Ltd	10	575		5,750		
Skylight Vintrade Pvt Ltd	10	5,000		50,000	5,000	10,00,000
Success Dealers Pvt Ltd	10	5,000		50,000	-	-
Silverlake Tradelinks Pvt Ltd	10	-		-	25,000	2,50,000
Venus Commotrade Pvt Ltd	10	5,000		12,50,000	-	-
<b>Preference - Unquoted</b>						
Dignity Dealtrade Pvt Ltd	10	2,915		5,83,000	1,000	2,00,000
<b>Investment in Associates</b> (Refer Note - 15A)						
Indigo Dealers Pvt. Ltd.			16,34,000			
Add : Share of Post Acquisition Profit	10	1,63,400	618	16,34,618	1,63,400	16,34,000
Tirupati Tie-up Pvt. Ltd.			21,40,000			
Add : Share of Post Acquisition Profit	10	2,14,000	2,47,678	23,87,678	2,14,000	21,40,000
				3,50,97,613		3,05,82,817
<b>Aggregate value of Quoted Investments</b>				18341		18341
Market Value of Quoted Equity Shares				10,055		27,706
Break up Values of Unquoted Equity Shares				9,89,38,477		8,15,42,003
Break up Values of Unquoted Preference Shares				29,150		10,000

Particulars	31st March 2016	31st March 2015
<b>7. Cash &amp; Cash Equivalents:</b>		
Cash In Hand (As certified By Management)	29,578	38,418
Balances with Banks in Current Accounts	1,26,690	2,61,326
Fixed deposits with bank	33,00,000	30,00,000
Accrued Interest on Fixed Deposit	1,19,219	2,33,232
<b>Total</b>	<b>35,75,487</b>	<b>35,32,976</b>
<b>8. Short Term Loans &amp; Advances:</b>		
Advance Income Tax including TDS	95,126	64,964
Advances (Recoverable in cash or in kind or for the value to be received)	-	-
Advance to CDSL For 15-16 & 16-17	6,742	13,483
	<b>1,01,868</b>	<b>78,448</b>

**NOTES TO FINANCIAL STATEMENTS** for the year ended 31st March 2016

(Amount in ₹)

Particulars	31st March 2016	31st March 2015
<b>9. Trade Receivables</b>		
Unsecured Considered good (Less Than Six months from the date they become due)	-	104
	-	104

Particulars	2015-2016	2014-2015
<b>10. Revenue From Operations</b>		
Interest (Tax deducted at source Rs.27,342 , P.Y 35,618)	2,73,413	3,55,992
	2,73,413	3,55,992

Particulars	2015-2016	2014-2015
<b>11. Other Income</b>		
Dividend	150	540
Interest on I.T.Refund		197
Net gain/(loss) on sale of Non-current Investments		4,54,893
Profit/(Loss) on sale of Fixed Assets	-	47
Profit From derivative Trading	1,15,084	2,50,390
	1,15,234	7,06,067

Particulars	2015-2016	2014-2015
<b>12. Employee benefit expenses</b>		
Managing Directors Remuneration	3,11,875	2,20,333
Salaries & Bonus	45,000	1,73,333
	3,56,875	3,93,666

Particulars	2015-2016	2014-2015
<b>13. Finance Cost</b>		
Bank Interest Paid	12,713	55,417
	12,713	55,417



## NOTES TO FINANCIAL STATEMENTS for the year ended 31st March 2016

(Amount in ₹)

Particulars	2015-2016	2014-2015
<b>14. Other Expenses</b>		
Payment to auditors	5,000	5,000
Advertisement	17,632	21,034
Bank Charges	6,191	375
Demat Charges	813	2,226
Depository Charges	21,622	55,056
Filing Fees	7,800	18,400
General Expenses	356	13,164
Listing Fees	28,090	1,24,158
Merchant Bankers Fees	–	1,12,360
Postage & Telegram	9,908	2,931
Printing & Stationery	19,210	7,150
Processing & Execution Charges	–	11,236
Professional Fees	15,948	92,311
Professional Tax	2,500	2,500
RTA Fees	25,404	20,225
STT Charges	–	853
Trade License Fees	3,250	3,250
	<b>1,63,724</b>	<b>4,92,229</b>

**NOTES TO FINANCIAL STATEMENTS** for the year ended 31st March 2016

(Amount in ₹)

**15. SIGNIFICANT ACCOUNTING POLICIES & NOTES TO CONSOLIDATED ACCOUNTS :****A. CONSOLIDATION OF ACCOUNTS :**

The consolidated financial statements of the company and its associates have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules 2014 and the relevant provisions of the Companies Act 2013 as applicable. The Consolidated Financial Statements have been prepared as per Equity Method to consolidate the financial statement.

The difference between the cost of investment in the associates and the Company's share of net assets at the time of acquisition of share in the associates is identified in the financial statements as Goodwill or Capital Reserve as the case may be.

The Associate of the Company and the ownership interest are as follows :

Name of the Associates	% shares held	Original Cost of Investment (Rs. in Lakhs)	Goodwill/ (Capital Reserve)	Accumulated Profit/(Loss) as on 31.03.2016	Carrying Amount of Investments as on 31.03.2016
Indigo Dealers Pvt Ltd	43.06%	16.34	300.78	0.0006	16.35
Tirupati Tie-up Pvt Ltd	42.80%	21.40	419.59	2.48	23.88
<b>TOTAL</b>		<b>37.74</b>	<b>720.37</b>	<b>2.486</b>	<b>40.23</b>

**B. OTHER SIGNIFICANT ACCOUNTING POLICIES :**

These are set out under 'Significant Accounting Policies' as given in the Company's separate financial statements.

**C. OTHER NOTES :**

- Previous year figures have been regrouped/rearranged wherever considered necessary.
- Contingent Liabilities & Contracts on capital account : NIL
- Related Party Transactions**

Name of the Related Party (Nature of Relationship)	Nature of Transactions	Volume of Transactions	Provisions for doubtful debts due from such parties at that date	Amount written off or written back in the period in respect of debts due from or to related parties
Nidhi Sinha, Managing Director	Remuneration Paid	311875	NIL	NIL
Rama Kant Mishra, Company Secretary	Remuneration Paid	45000	NIL	NIL

Notes 1 -15 form integral part of the financial Statements for the year ended on 31/03/2016

**Signatures to Notes 1-15**

In terms of our attached report of even date.

**For S.K.RUNGTA & CO.**  
**CHARTERED ACCOUNTANTS**  
**FRN 308081E**

**(S. K. Rungta)**  
*Proprietor*  
Membership No. 013860

Date : 30.05.2016  
Place : Kolkata

**Nidhi Sinha**  
*Managing Director*  
DIN: 06393406

**Jitendra Kumar Goyal**  
*Director*  
DIN: 00468744

**Rama Kant Mishra**  
*Company Secretary*



# KAUSHAL INVESTMENTS LIMITED

Regd. Office: P-3, New C.I.T. Road, Tiretti, Kolkata-700 073

Email: info@kaushalinvest.com; Website: www.kaushalinvest.com

CIN: L65993WB1981PLC033363

## ATTENDANCE SLIP

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

Name of the Member(s) (In block letters).....

Name of the Proxy, if any (In block letters) .....

DP ID*	Folio No.
Client ID*	No. of Shares

I hereby record my presence at the 35th Annual General Meeting of the Company at Oswal Chamber, Eitma, 5th Floor, 2 Church Lane, Kolkata - 700 001 , on Thrusday, the 29th September, 2016 at 1.00 P.M.

Signature of Shareholder.....

Signature of Proxy.....

- 1) Only members or the Proxy holder can attend the meeting.
  - 2) Member/Proxy Holder should bring his/ her copy of Annual Report for reference at the meeting.
- \* Applicable for investors holding shares in electronic form



# KAUSHAL INVESTMENTS LIMITED

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CIN: L65993WB1981PLC033363

## FORM NO. MGT - 11

## PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 of the Companies (Management and Administration) Rules, 2014]

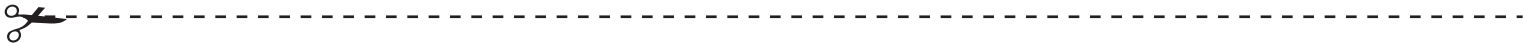
Name(s) of the Shareholder(s) (including joint-holders, if any) :	
Registered address of the Shareholder(s) :	
Registered Folio No. /Client ID No. /DP ID No. :	
No. of equity Shares Held :	

I/We, being the member(s), of ..... shares of the above company, hereby appoint.

- (1) Name ..... Address .....  
E-mail id ..... Signature ..... or failing him
- (2) Name ..... Address .....  
E-mail id ..... Signature ..... or failing him
- (3) Name ..... Address .....  
E-mail id ..... Signature .....

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, at Oswal Chamber, Eitma, 5th Floor, 2 Church Lane, Kolkata - 700 001, on Thrusday, the 29th September, 2016 at 1.00 P.M. in respect of the such resolutions as are indicated below :





\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolutions	Optional	
		For	Against
	<b>Ordinary Business :</b>		
1.	Ordinary Resolution to be passed to receive and adopt the Audited Accounts of the Company for the year ended 31st March, 2016 along with Director's and Auditor's report thereon.		
2.	Ordinary Resolution to appoint a Director in place of Ms. Pooja Agarwalla (DIN 06961133), who vacates his office in the ensuing AGM and being eligible, offers herself for re-appointment.		
3.	Ordinary Resolution to ratify the appointment of auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the 36th AGM and to fix their remuneration.		

Signed this ..... day of ..... 2016

Signature of Shareholder(s) ..... Signature of Proxy(s) .....

Affix  
Revenue  
Stamp

**Notes :**

The Proxy Form signed across revenue stamp should reach the Registered Office of the Company at least 48 hours before the scheduled time of Meeting.

For the Resolutions, explanatory statements and notes please refer to the Notice of the 35th Annual General Meeting

\* This is only optional. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



# KAUSHAL INVESTMENTS LIMITED

Regd. Office: P-3, New C.I.T. Road, Tiretti, Kolkata-700 073  
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CIN: L65993WB1981PLC033363

## ATTENDANCE SLIP

Members attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

Name of the Member(s) (In block letters).....

Name of the Proxy, if any (In block letters) .....

DP ID*	Folio No.
Client ID*	No. of Shares

I hereby record my presence at the 35th Annual General Meeting of the Company at Oswal Chamber, Eitma, 5th Floor, 2 Church Lane, Kolkata - 700 001 , on Thrusday, the 29th September, 2016 at 1.00 P.M.

Signature of Shareholder.....

Signature of Proxy.....

- 1) Only members or the Proxy holder can attend the meeting.
  - 2) Member/Proxy Holder should bring his/ her copy of Annual Report for reference at the meeting.
- \* Applicable for investors holding shares in electronic form



# KAUSHAL INVESTMENTS LIMITED

Regd. Office: P-3, New C.I.T. Road, Tiretti, Kolkata-700 073  
Email: info@kaushalinvest.com; Website: www.kaushalinvest.com  
CIN: L65993WB1981PLC033363

## FORM NO. MGT - 11

## PROXY FORM

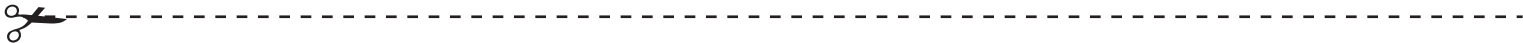
[Pursuant to Section 105(6) of the Companies Act, 2013 of the Companies (Management and Administration) Rules, 2014]

Name(s) of the Shareholder(s) (including joint-holders, if any) :	
Registered address of the Shareholder(s) :	
Registered Folio No. /Client ID No. /DP ID No. :	
No. of equity Shares Held :	

I/We, being the member(s), of ..... shares of the above company, hereby appoint.

- (1) Name ..... Address .....  
E-mail id ..... Signature ..... or failing him
- (2) Name ..... Address .....  
E-mail id ..... Signature ..... or failing him
- (3) Name ..... Address .....  
E-mail id ..... Signature .....

As my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 35th Annual General Meeting of the Company, at Oswal Chamber, Eitma, 5th Floor, 2 Church Lane, Kolkata - 700 001, on Thrusday, the 29th September, 2016 at 1.00 P.M. in respect of the such resolutions as are indicated below :



\* I wish my above Proxy to vote in the manner as indicated in the box below:

Resolution No.	Resolutions	Optional	
		For	Against
	<b>Ordinary Business :</b>		
1.	Ordinary Resolution to be passed to receive and adopt the Audited Accounts of the Company for the year ended 31st March, 2016 along with Director's and Auditor's report thereon.		
2.	Ordinary Resolution to appoint a Director in place of Ms. Pooja Agarwalla (DIN 06961133), who vacates his office in the ensuing AGM and being eligible, offers herself for re-appointment.		
3.	Ordinary Resolution to ratify the appointment of auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the 36th AGM and to fix their remuneration.		

Signed this ..... day of ..... 2016

Signature of Shareholder(s) ..... Signature of Proxy(s) .....

Affix  
Revenue  
Stamp

**Notes :**

The Proxy Form signed across revenue stamp should reach the Registered Office of the Company at least 48 hours before the scheduled time of Meeting.

For the Resolutions, explanatory statements and notes please refer to the Notice of the 35th Annual General Meeting

\* This is only optional. Please put 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.



**KAUSHAL INVESTMENTS LIMITED**

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