

## **KIDUJA INDIA LIMITED**

### **DIRECTORS' REPORT**

To,  
The Members of  
Kiduja India Limited

The Directors have pleasure in presenting the 32<sup>nd</sup> Annual Report of Kiduja India Limited ("the Company") for the financial year ended on 31<sup>st</sup> March 2018.

#### **1. Business overview**

During the year 2017-18 the Company earned revenue of Rs.79,308,687/- from its business operations. However, the Company incurred a loss of Rs.45,061,116/-

The Company is confident of performing better in the future as compared to period under review.

#### **2. Financial performance**

	Amt in Rs.	
	<b>For the year ended March 31, 2018</b>	<b>For the year ended March 31, 2017</b>
Revenue from Operations	79,280,597	0
Other Income	28,090	240
Total Revenue	79,308,687	240
Less: Expenses	124,328,845	41,081,972
Profit / (Loss) before tax	(45,020,158)	(41,081,732)
Less: Provision for tax including deferred tax	40,958	2,200
Profit / (Loss) after tax	(45,061,116)	(41,083,932)

#### **3. Dividend**

In view of losses incurred, your Directors do not recommend any dividend during the year under review.

#### **4. Transfer to Reserves**

The Company did not transfer any amount to reserves in view of the losses incurred by the Company during the year under review.

#### **5. Holding, Subsidiary and Associate Company**

The Company does not have any holding, subsidiary or associate company.

#### **6. Directors and Key Managerial Personnel**

The Board is duly constituted. During the year there is no change in the constitution of the board of directors of the Company.

The Company has received declarations from all the independent directors confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

Further, based on the confirmations received, none of the Directors are disqualified for appointment under Section 164 of the Companies Act, 2013.

#### **7. Deposits**

The Company has not accepted any deposits under section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31<sup>st</sup> March, 2018.

**8. Significant and Material orders passed by the Regulators or Courts**

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

**9. Material changes and Commitments**

There are no material changes and commitments between the financial year ending 31<sup>st</sup> March, 2018 till the date of this report which affects the financial position of the Company.

**10. Change in nature of business, if any:**

During the year under review, there has not been any change in the nature of the business of the Company.

**11. Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings & Outgoing**

As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, the Company has taken necessary step in minimizing the usage of energy to the extent possible to reduce the cost of energy.

Research & Development and Technology Absorption are not applicable to the Company as the company is carrying on the business of a non-banking financial institution (without accepting public deposits).

During the period under review, the foreign exchange earnings and out-go were as under:

- (i) Foreign Exchange earnings – NIL
- (ii) Foreign Exchange spent – NIL

**12. Particulars of Employees**

A statement giving particulars of employees pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed to this Report as Annexure "A" appended hereto and forms part of this report.

**13. Extract of Annual Return:**

The details forming part of the extract of the annual return in Form MGT-9 is enclosed in Annexure "B".

**14. Number of Board Meetings:**

The Board generally meets 4-6 times during the year. All the meetings are conducted as per designed and structured agenda. All agenda items are backed by necessary supporting information and documents to enable the board to take informed decisions. Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance.

The Company held a minimum of one board meeting in every quarter with a gap not exceeding 120 days between two board meetings. During the year ended 31<sup>st</sup> March, 2018, four Board Meetings were held, the details of which is as under:

**Board Meetings held during the Year**

Sr. No.	Dates on which the Board Meetings were held	Total Strength of the Board	No of Directors Present
1.	30 <sup>th</sup> May, 2017	5	5
2.	10 <sup>th</sup> August, 2017	5	5
3.	14 <sup>th</sup> November, 2017	5	5
4.	09 <sup>th</sup> February, 2018	5	5

### Attendance of Directors at Board Meetings and Annual General Meeting

Name of the Director	Attendance at the Board Meetings held on				AGM held on 05/09/17
	30/05/17	10/08/17	14/11/17	09/02/18	
Ashish D. Jaipuria	✓	✓	✓	✓	✓
Mrs. Kirti D. Jaipuria	✓	✓	✓	✓	Leave of Absence
Mrs. Archana A. Jaipuria	✓	✓	✓	✓	✓
Om Prakash Agarwal	✓	✓	✓	✓	✓
Samir Sanghai	✓	✓	✓	✓	✓

#### 15. Share Capital

The paid up Equity Share Capital is Rs.1,71,50,000. During the year under review, the Company has neither issued shares nor granted stock options nor sweat equity. As on 31<sup>st</sup> March, 2018, Mr. Ashish D Jaipuria, Managing Director of the Company holds 11,15,000 (65.01%) equity shares of the Company.

#### 16. Related party transaction

There are no material significant related party transactions made by the Company with the Promoters or Directors, etc. which may have potential conflict with the interest of the Company at large. Transactions entered into with Related Parties do not attract the provisions of Section 188 of the Companies Act, 2013.

#### 17. Particulars of investments, loans and guarantees under Section 186

The Company has not made any investment or advanced any loans or a guarantee which is covered under Section 186 of the Companies Act, 2013.

#### 18. Internal Control Systems and their Adequacy

Mr. Sanjay Nawal is Internal Auditor of the Company for F.Y.2017-18. Internal Audit plays a key role by providing assurance to the Board of Directors and value addition to the business operations. Your Company has an effective internal control system, which is constantly assessed and strengthened with new/revised standard operating procedures.

#### 19. Internal Financial Control related to Financial Statements

The Company has in place adequate financial controls related to financial statements and these financial controls are operating effectively.

#### 20. Transfer of Amounts to Investor Education and Protection Fund

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31<sup>st</sup> March, 2018.

#### 21. Fraud Reporting

During the year under review no instances of fraud were reported by the Statutory Auditors of the Company.

#### 22. Auditors

M/s. Bagaria & Co. LLP, Chartered Accountants, (Firm Registration No.113447W/W-100019) were appointed as Statutory Auditors of the Company at the Annual General Meeting held on 5<sup>th</sup> September, 2017 for a period of 5 years, subject to ratification at every Annual General Meeting. The approval of the members for ratification of appointment of M/s. Bagaria & Co. LLP. as the Statutory Auditors of the Company for financial year 2018-19 will be sought at the ensuing AGM. M/s. Bagaria & Co. LLP., have furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

Observation raised by Statutory Auditor in their Audit Report is as under:

Diminution in the carrying value of Long Term Investments of Rs. 260,755,172 made in Venture Capital Funds:

Management reply:

Investments have been made on long term basis and diminution in its value is temporary. Management is also confident of receiving at least carrying value in due course and therefore in, our opinion, no provision is considered necessary.

### **23. Secretarial Audit**

The Board has appointed M/s. Pradeep Purwar & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure "C" to this Report.

Management reply to the observation raised in the Secretarial Audit Report is as under:

Sr No	Observation	Reply
1.(a)	Non compliance under section 91 of the Act with respect to publication of notice of book closure in the newspaper.	Publication of notice of book closure was inadvertently missed out by the Company
(b)	Non Compliance under section 203 of the Act with respect to the appointment of Company Secretary.	Considering the size and operations of the Company, the Company is unable to find a suitable candidate for appointment as Company Secretary
2.	Non Compliance of regulations 6, 46 and 47 of SEBI (LODR) Regulations, 2015	The Company will ensure compliance with LODR Regulations in future
3.	Net Owned Fund of the Company is reduced below Rs. 2 Crores	The accumulated losses of the Company are increasing due to interest on borrowed fund

### **24. Audit Committee**

The Audit Committee comprises Mr. Ashish D Jaipuria and Independent Directors namely Mr. Omprakash Agarwal (Chairman) and Mr. Samir Sanghai as other member. All the recommendations made by the Audit Committee were accepted by the Board.

The Committee held four meetings during the financial year 2017-18 on 30<sup>th</sup> May, 2017, 10<sup>th</sup> August, 2017, 14<sup>th</sup> November, 2017 and 09<sup>th</sup> February, 2018. All the recommendations made by the Audit Committee to the Board during the financial year ended 31<sup>st</sup> March, 2018 were accepted. The Chairman of the Audit Committee attended the Annual General Meeting held on 05<sup>th</sup> September, 2017.

### **25. Nomination and Remuneration Committee**

The Nomination & Remuneration Committee comprises Non-executive Directors namely Mr. Omprakash Agarwal (Chairman), Mr. Samir Sanghai and Mrs. Kirti D. Jaipuria as other members.

### **26. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee comprises Mr. Samir Sanghai (Chairman) who is a Non-Executive Director, Mr. Omprakash Agarwal and Mr. Ashish D. Jaipuria as other members.

**27. Vigil Mechanism**

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the provisions of the Act, includes an Ethics Officer of the Company. Protected disclosures can be made by a whistle blower through an e-mail or a letter to the Ethics Officer or to the Chairman of the Audit Committee.

**28. Investment Policy**

Board has framed the Investment Policy of the Company, in terms of the RBI Master Circular DNBS (PD) CC No. 380/03.02.001/2014-15 dated 1st July, 2014, which includes criteria to classify the investments into current and long term investments, grouping of quoted current investments for the purpose of valuation, valuation of unquoted equity shares, preference shares, government securities, units of mutual funds, commercial papers, long term investments, etc.

**29. Risk management policy**

The Board of the Company has adopted the Risk Management Policy in order to assess, monitor and manage risk throughout the Company.

Risk is an integral part of the Company's business, and sound risk management is critical to the success of the organization. Detailed information on risk management is provided in the Management Discussion and Analysis Report.

**30. Details Of Policy Developed And Implemented By The Company On Its Corporate Social Responsibility Initiatives:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**31. Directors' Responsibility Statement**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(5) of the Companies Act, 2013:

- (i) that in the preparation of the annual financial statements for the year ended 31<sup>st</sup> March, 2018, the applicable accounting standards have been followed;
- (ii) that appropriate accounting policies have been selected and applied consistently, and have 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 as at the end of the financial year and of the loss of the Company for that year;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) that the annual accounts have been prepared on a 'going concern' basis.
- (v) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

**32. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a Care & Dignity policy for prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. The policy combats discrimination / sexual harassment of men and women in the workplace.

Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment and right to work with dignity. During the financial year 2017-18, no cases in the nature of sexual harassment were reported at any workplace of the Company.

### **33. Acknowledgement**

Your Directors are happy to place on record their sincere appreciation to the various Central and State Government Departments, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the Company viz. employees, members, customers, dealers, vendors, banks and other business partners for their unstinted commitment and continued support and contribution to the Company.

For and on behalf of Board of Directors



Ashish D Jaipuria  
Managing Director  
DIN : 00025537



Archana A. Jaipuria  
Director  
DIN : 00025586

Place: Mumbai  
Date: 10<sup>th</sup> August, 2018



## ANNEXURE A

**The Statement of particulars of Employees of Kiduja India Limited ("Company") as mentioned under Sub-rule 2 of Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

Employed throughout the financial year ended 31<sup>st</sup> March, 2018 and was in receipt of remuneration of Rs.1,02,00,000 per annum or more : Nil

Employed for a part of the financial year, and was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs.8,50,000 per month or more: Nil

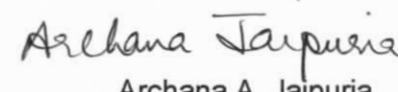
Employed throughout the financial year 2017-18 and in receipt of remuneration in excess of remuneration drawn by the Managing Director or Whole-time Director and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company: Nil

List of top ten employees of the Company in terms of remuneration drawn:

Name of Employee	Mr. Darshan Kumar Jain	Mr. Sanjay Nawal	Ms. Neeta Surve	Mr. Pramod Mohite
Designation of Employee	CFO	Compliance Officer	Computer Operator	Office-peon
Remuneration Received (Rs.)	572016	423071	205753	115046
Qualification	Graduate	Graduate	Graduate	Non-Matric
Experience in years	52 yrs	33 yrs	19 yrs	27 yrs
Date of Commencement of Employment	01/04/2012	05/06/2000	01/10/2001	01/04/2007
Age/Date of Birth of employee	70/16-09-1948	53/02-07-1965	40/14-06-1978	43/05-06-1975
The last employment held by the Employee before joining the Company	Sajjan India Ltd.	Umang Fibres Pvt. Ltd.	Ratnagiri Power	Megha Finance Pvt. Ltd.
Percentage of Equity Shares held by the Employee in the Company as per Sub-rule (2)(iii).	0.01	0.03	0.01	0.01
Relationship with Director or Manager of the Company	None	None	None	None

For and on behalf of Board of Directors

  
 Ashish D Jaipuria  
 Managing Director  
 DIN : 00025537

  
 Archana A. Jaipuria  
 Director  
 DIN : 00025586

Place: Mumbai  
Date: 10<sup>th</sup> August, 2018

**ANNEXURE "B" TO THE DIRECTORS' REPORT****Form No. MGT-9  
EXTRACT OF ANNUAL RETURN****As on the financial year ended on 31<sup>st</sup> March, 2018***[Pursuant to Section 92(3) of the Companies Act, 2013 and  
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]***I. REGISTRATION AND OTHER DETAILS:**

CIN	L72200MH1985PLC038019
Registration Date	08/11/1985
Name of the Company	<b>KIDUJA INDIA LIMITED</b>
Category	Company Limited By Shares
Sub-Category of the Company	Indian Non-Government Company
Address of the Registered office and contact details	127-B, Mittal Tower, Nariman Point, Mumbai – 400 021.
Whether listed company	Yes
Name, Address and Contact details of Registrar and Transfer Agent	Link Intime India Private Limited C-101, 247 Park, LBS Marg, Vikhroli (West), Mumbai – 400 083.

**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.	Non-Banking Financial Company	64990	100%

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

Sl. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1	None	--	--	--	--

**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	
A. Promoters									
(1) Indian									
a) Individual / HUF	1115000	-	1115000	65.01	1115000	-	1115000	65.01	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s).	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(1) :-	1115000	-	1115000	65.01	1115000	-	1115000	65.01	-



(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2) :-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	1115000	-	1115000	65.01	1115000	-	1115000	65.01	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt(s).	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital funds	-	-	-	-	-	-	-	-	-
i) Others (specify)									
Sub-total (B)(1) :-	-	-	-	-	-	-	-	-	-
2. Non Institutions									
a) Bodies Corp.	8794	200	8994	0.52	8795	200	8995	0.52	-
b) Individuals									
i) Individual Shareholders holding nominal share capital upto `1 lakh	164293	163100	327393	19.09	167322	162300	329622	19.22	0.13
ii) Individual Shareholders holding nominal share capital in excess of `1 lakh	252729	-	252729	14.74	253229	-	253229	14.77	0.03
c) Others (specify)									
i) Non-Resident (Non-Rep)	3880	-	3880	0.23	1150	-	1150	0.07	(0.16)
ii) Non-Resident (Rep)	6179	-	6179	0.36	6179	-	6179	0.36	-
iii) Trust	-	-	-	-	-	-	-	-	-
iv) OCB	-	-	-	-	-	-	-	-	-
v) Clearing Members	825	-	825	0.05	825	-	825	0.05	-
Sub-total (B)(2) :-	436700	163300	600000	34.99	437500	162500	600000	34.99	-
Total Public Shareholding (B) = (B)(1)+(B)(2) :-	436700	163300	600000	34.99	437500	162500	600000	34.99	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1551700	163300	1715000	100	1552500	162500	1715000	100	-

## ii) Shareholding of Promoters

Sl. No.	Name of Shareholder	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Ashish D Jaipuria	1115000	65.01	-	1115000	65.01	-	-

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

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	No Change during the year			
2	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/bonus/sweat equity etc):	No Change during the year			
3	At the end of the year	No Change during the year			

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

Sl. No.	Name of 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	Hitesh Ramji Javeri	51349	2.99	51849	3.02
2	Amit Babulal Agarwal	49237	2.87	49237	2.87
3	Gaytri Babulal Agarwal	46518	2.71	46518	2.71
4	Babulal Agarwal	43050	2.51	43050	2.51
5	Harsha Hitesh Javeri	22077	1.29	22077	1.29
6	Pitamberdas Bhasharam Pahuja	15518	0.90	15518	0.90
7	Miten Bhogilal Chhadva	12700	0.74	12700	0.74
8	Yatin Prakash Shah HUF	12280	0.72	12280	0.72
9	Shakuntala Suresh Shah	9875	0.58	9875	0.58
10	Jhabarmal Choudhary	6174	0.36	6174	0.36
TOTAL		268778		269278	

**v) Shareholding of Directors and Key Managerial Personnel:**

For Each of the Directors and KMP	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
At the beginning of the year	1115000	65.01	1115000	65.01
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
At the end of the year	1115000	65.01	1115000	65.01