
K I D U J A

INDIA LIMITED

**33rd Annual Report
2018-2019**

KIDUJA INDIA LIMITED

BOARD'S REPORT

To,
The Members of
Kiduja India Limited

The Directors have pleasure in presenting their 33rd Annual Report of Kiduja India Limited ("the Company") for the financial year ended on 31st March 2019.

1. Business overview

During the year 2018-19, the Company earned revenue of INR4,47,25,571/- from its business operations. However, the Company incurred a loss of INR7,36,090/-.

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

2. Financial performance

	Amt in INR	
	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from Operations	4,47,25,571	4,50,69,499
Other Income	1,420	28,090
Total Revenue	4,47,26,991	4,50,97,589
Less: Expenses	4,54,56,452	9,01,17,747
Profit / (Loss) before tax	(7,29,461)	(4,50,20,158)
Less: Provision for tax including deferred tax	6,629	40,958
Profit / (Loss) after tax	(7,36,090)	(4,50,61,116)

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

During the year under review, the Company did not have any Holding, Subsidiary, Associate and Joint Venture Company and there were no companies which became or ceased to be the Company's Subsidiary, Joint Venture or Associate Company; accordingly, reporting on the highlights of performance of Subsidiaries, Associates and Joint Venture companies and their contribution to the overall performance of the Company during the period under report, is not required to be made.

6. Revision of Financial Statements

There was no revision of the financial statements pertaining to previous financial years, during the year under review.

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 31st March 2019 and accordingly, no amounts on account of principal or interest on public deposits were outstanding as on 31st March, 2019.

8. Directors and Key Managerial Personnel

During the year under review, there was no change in the constitution of the board of directors of the Company.

In accordance with the provisions of the Act, none of the Independent Directors are liable to retire by rotation.

As per the provisions of Section 152 of the Companies Act, 2013, Mrs. Kirti D. Jaipuria (DIN: 00025564) retires by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers herself for re-appointment. Your Directors recommend her appointment.

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

The Company has received declarations from all the Independent Directors under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013.

9. Annual Evaluation of Directors, Committee and Board

The Board at its meeting held on 30th May, 2019 carried out the annual evaluation of its own performance as well as the evaluation of the working of its Committees and individual Directors, including Chairman of the Board for the Financial Year 2018-19 and expressed its satisfaction as to their performance. This exercise was carried out through a structured questionnaire prepared separately for Board, Committees and individual Directors. The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as adequacy of the composition and role of the Board, Board meeting and reporting process, effectiveness of strategies, risk management systems, external relationships, ethics and governance framework. Committee performance was evaluated on the basis of its composition, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, the Board as a whole and of the Chairman was evaluated, taking into account the views of Executive Director and Non-Executive Directors. Performance evaluation of both the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated.

10. 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.

11. Material changes and Commitments

There are no material changes and commitments between the financial year ending 31st March, 2019 till the date of this report which affects the financial position of the Company.

12. 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.

13. 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

14. 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.

15. Extract of Annual Return:

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, Extract of the Annual Return in Form MGT-9 for the financial year ended 31st March, 2019 made under the provisions of Section 92(3) of the Act is attached as **Annexure B** which forms part of this Report.

16. 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 31st March, 2019, 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 th May, 2018	5	4
2.	10 th August, 2018	5	5
3.	14 th November, 2018	5	5
4.	14 th February, 2019	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 22/09/18
	30/05/18	10/08/18	14/11/18	14/02/19	
Mr. Ashish D. Jaipuria	Leave of Absence	✓	✓	✓	✓
Mrs. Kirti D. Jaipuria	✓	✓	✓	✓	Leave of Absence
Mrs. Archana A. Jaipuria	✓	✓	✓	✓	✓

Mr. Omprakash Agarwal	✓	✓	✓	✓	Leave of Absence
Mr. Samir Sanghai	✓	✓	✓	✓	✓

17. **Share Capital**

The Authorised Capital of the Company is INR17,500,000/- (Rupees One Crore Seventy Five Lakhs only) divided into 17,50,000 (Seventeen Lakhs Fifty Thousand) Equity Shares of INR 10 each and the Subscribed and paid up capital of the Company is INR17,150,000/- (Rupees One Crore Seventy One Lakhs Fifty Thousand Only) divided into 1,715,000 (Seventeen Lakhs Fifteen Thousand Only) Equity Shares of INR 10 each.

During the year ended 31st March 2019, there has been no change in the share capital of the Company.

The Company has not allotted any shares, bonus shares, equity shares with differential rights nor granted stock options nor issued sweat equity during the financial year ended on 31st March 2019.

The Company does not have a Scheme of ESOP and accordingly, disclosure under Section 67(3) of the Companies Act, 2013 in respect of voting rights not exercised directly by the employees in respect of shares to which the scheme relates is not required to be made.

Mr. Ashish D. Jaipuria, Managing Director of the Company holds 11,15,000 (65.01%) equity shares of the Company.

18. **Related party transaction**

All related party transactions that were entered into by the Company during the financial year were in the ordinary course of business and on an arm's length basis. None of the related party transactions entered into by the Company were material transactions.

Details of related party transactions entered into by the Company during the financial year are provided in Note 19.7 to the Financial Statements.

19. **Particulars of investments, loans and guarantees under Section 186**

Particulars of loans, guarantees and investments as on 31st March, 2019 are given in the Notes to Financial Statements.

20. **Internal Control Systems and their Adequacy**

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

21. **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. Such controls are regularly tested. During the year under review no reportable material weakness in the design or operation of such controls were observed.

22. **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 31st March, 2019.

23. **Fraud Reporting**

No frauds were reported by the Auditors in their Report on the Financial Statements of the Company under Section 143(12) of the Companies Act, 2013.

24. 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 05th September, 2017 for a period of 5 years, subject to ratification at every Annual General Meeting.

However, as per Companies (Amendment) Act, 2017, ratification by members at AGM has been omitted.

M/s. Bagaria & Co. LLP, Chartered Accountants have furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013 and the Rules framed thereunder.

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

Note 19.1(a) of the financial statements indicates that the Company's net worth has fully eroded and also the Company's current liabilities exceeded its total assets. These events or conditions, along with other matters as set forth in the said, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

However, the management is confident of reversing the losses in the coming years with the committed financial support from the Promoters. Accordingly, the financial statements have been prepared on a going concern basis.

Management's reply:

The Report issued by the Statutory Auditors and the Notes on financial statement referred to in the Auditors' Report for the financial year ended 31st March, 2019 are self-explanatory and do not call for any further comments.

25. Secretarial Audit

The Board has appointed M/s. Pradeep Purwar & Associates, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2018-19. The Secretarial Audit Report for the financial year ended 31st March, 2019 is annexed herewith marked as **Annexure C** to this Report.

The Management's replies to the observations raised in the Secretarial Audit Report are 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.
(c)	Non Compliance under Rule 20 Companies (Management and Administration) Rules, 2014 of the Act with respect to the publication of advertisement of Notice of AGM in the newspaper.	Publication of advertisement of Notice of AGM in the newspaper was inadvertently missed out by the Company.

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 INR 2 Crores	The accumulated losses of the Company are increasing due to interest on borrowed fund.

26. Audit Committee

The Audit Committee comprises of the following Directors pursuant to Section 177 of the Companies Act, 2013 as on 31st March 2019:

1. Mr. Omprakash Agarwal (Chairman)- Independent Director
2. Mr. Ashish D Jaipuria- Managing Director
3. Mr. Samir Sanghai- Independent Director

All the recommendations made by the Audit Committee were accepted by the Board.

The Committee held four meetings during the financial year 2018-19. All the recommendations made by the Audit Committee to the Board during the financial year ended 31st March, 2019 were accepted.

27. Nomination and Remuneration Committee

The Nomination & Remuneration Committee pursuant to Section 178 of the Companies Act, 2013 on 31st March, 2019 comprises of the following:

1. Mr. Omprakash Agarwal (Chairman)- Independent Director
2. Mr. Samir Sanghai (Member) - Independent Director
3. Mrs. Kirti D. Jaipuria (Member) - Non-executive Director

28. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee pursuant to Section 178 of the Companies Act, 2013 on 31st March, 2019 comprises of the following:

1. Mr. Samir Sanghai (Chairman) - Independent Director
2. Mr. Omprakash Agarwal (Member) - Independent Director
3. Mr. Ashish D. Jaipuria (Member) - Managing Director

29. 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.

The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations.

30. Investment Policy

The 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.

31. 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.

32. Details of Policy developed and implemented by the Company on its Corporate Social Responsibility initiatives

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to your Company during the financial year 2018-19.

33. 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 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (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 internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

34. Cost Records

The provisions of maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014.

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

Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment and right to work with dignity.

Internal Complaints Committee was not required to be constituted since the Company does not have more than ten employees and no cases in the nature of sexual harassment were reported Local Complaints Committee at any workplace of the Company during the financial year 2018-19.

36. Compliance with Secretarial Standards

Your Directors state that the applicable Secretarial standards i.e. SS-1 and SS-2 relating to "Meetings of the Board of Directors" and "General Meetings", respectively, have been duly followed by the company.

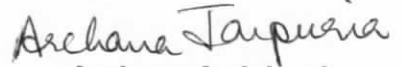
37. Acknowledgement

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 : 09th August, 2019

ANNEXURE A TO THE BOARD'S REPORT

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

I. Information as per Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Name of the Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees	Percentage increase in remuneration in FY 2018-19
1	Mr. Ashish D. Jaipuria	Chairman & Managing Director	NA	NA
2	Ms. Kirti D. Jaipuria	Director	NA	NA
3	Ms. Archana A. Jaipuria	Director	NA	NA
4	Mr. Samir S. Sanghai	Independent Director	NA	NA
5	Mr. Omprakash L. Agarwal	Independent Director	NA	NA
6	Darshankumar Jain	Chief Financial Officer	NA	5.68

- **The percentage increase in the median remuneration of employees in the financial year:** 7.56%
- **The number of permanent employees on the rolls of company:** There were 4 permanent employees on the roll of the Company as on 31st March, 2019.
- **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** Not Applicable as no remuneration is drawn by any director of the Company.
- **Affirmation that the remuneration is as per the remuneration policy of the Company:** It is hereby affirmed that the remuneration paid during the year to the Directors is as per the Remuneration Policy of the Company.

II. Statement pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Details of Top 10 employees in terms of remuneration drawn for the financial year ended March 31, 2019 who-

- Employed throughout the financial year ended 31st March, 2019 and was in receipt of remuneration of INR10,200,000 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 INR 850,000 per month or more: Not Applicable as no employee was engaged for a part of the financial year.