

ANNUAL REPORT 2020-2021

Sr. No.	Contents
1.	Board of Directors
2.	Notice of Annual General Meeting
3.	Director's Report & Annexures
STANDALONE ACCOUNTS	
4.	Auditor's Report to the Shareholders
5.	Balance Sheet
6.	Statement of Profit and Loss
7.	Cash Flow Statement & Statement of Changes in Equity
8.	Notes forming a part of the Financial Statements
CONSOLIDATED ACCOUNTS	
9.	Auditor's Report
10.	Balance Sheet
11.	Profit and Loss Account
12.	Cash Flow Statement & Statement of Changes in Equity
13.	Notes forming a part of the Financial Statements

KOTHARI WORLD FINANCE LIMITED

BOARD OF DIRECTORS	
Mrs. Liza Kothari	Managing Director
Mr. Nitesh Kothari	Director
Mr. Manohar Mhatre	Additional Director

AUDITORS
M/S V.K.BESWAL & ASSOCIATES Chartered Accountants 4th Floor, Rewa Chambers, 31 New Marine Lines, Mumbai - 400020 Phone - +91 22 43455656 Fax - +91 22 43455666

REGISTERED OFFICE	SHARE TRANSFER AGENT
KOTHARI WORLD FINANCE LIMITED CIN: U65993MH1985PLC035005 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai - 400021 Website: www.kothariworld.com Email-ID: companysecretary@kothariworld.com Or info@kothariworld.com Contact: 022 2285 1620/ 2287 1694	Link Intime India Private Limited (Sharex Dynamic (India) Private Limited have merged with Link Intime India Private Limited w.e.f. 31-08-2020) C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai - 400 083. Tel: +91-22-4918 6270 Fax: +91-22-4098 6060 Email: rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

36th Annual General Meeting on Tuesday, 28th September, 2021 at 11.00 A.M at the Registered Office of the Company situated at 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai 400 021.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE THIRTY SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF "M/S. KOTHARI WORLD FINANCE LIMITED" WILL BE HELD ON TUESDAY, SEPTEMBER 28, 2021 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY SITUATED AT 121/C, MITTAL TOWER, NARIMAN POINT, MUMBAI- 400021 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt
 - a. The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon; and
 - b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Nitesh Kothari, Director (DIN: 00024195), who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

3. **APPOINTMENT OF MR. MANOHAR MHATRE (DIN: 00024326) AS DIRECTOR OF THE COMPANY WHOSE TERM AS AN ADDITIONAL DIRECTOR EXPIRES AT THE ENSUING ANNUAL GENERAL MEETING.**

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Manohar Mhatre (DIN: 00024326), who was appointed as an Additional Director by the Board of Directors of the Company effective from December 5, 2020 and who holds office till the date of Annual General Meeting in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received notice in writing under Section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the Company and that he will be liable to retire by rotation."

4. TO MAKE CONTRIBUTIONS OR DONATIONS TO CHARITABLE TRUSTS:

To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules, circulars, notifications, if any, made thereunder (including statutory modification(s), enactment(s) or re-enactment(s) thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (or Committee thereof) to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes in any financial year of upto a total amount of Rs. 10,00,000 (Rupees Ten Lakh only) or 10% of the Company's average net profits of the three immediately preceding financial years, whichever is higher.

RESOLVED FURTHER THAT the Board or any Committee thereof, be and are hereby authorized to do all such things, deeds, matters and acts as may be required to give effect to this resolution and to do all things incidental and ancillary thereto.

By and on behalf of Board of Directors
For KOTHARI WORLD FINANCE LIMITED

Place: Mumbai
Date: 23/07/2021

Sd/-
Nitesh Kothari
Director
(DIN: 00024195)

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the company.**

A person can act as proxy on behalf of Members not exceeding fifty (50) in number and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. A Member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or Shareholder.

Proxies, in order to be effective, should be deposited at the registered office of the company duly completed and signed, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of the Companies, Societies etc. must be supported by an appropriate resolution/authority, as applicable. A Proxy Form for the AGM is annexed. During the period beginning 24 hours before the time fixed for the commencement of the AGM and until the conclusion of the meeting, a member would be entitled to inspect the proxies lodged during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

2. Corporate Members intending to send their authorized representatives, are required to send a certified true copy of the Board Resolution together with the respective specimen signatures of those representatives pursuant to Section 113 of the Companies Act, 2013, authorizing their representatives to attend and vote on their behalf at the Annual General Meeting.
3. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 (hereinafter referred to as the "Act"), in respect of special business to be transacted at the Annual General Meeting (hereinafter referred to as "AGM") including the relevant details of the Directors seeking appointment/re-appointment as required under Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India is annexed thereto.
4. Members, Proxies and Authorized Representatives are requested to bring to the Meeting, the attendance slip enclosed herewith, duly completed and signed mentioning therein details of their Name, address, DP ID and Client ID/ Folio No., etc
5. 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.
6. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, and the Register of Contracts or Arrangements in which directors are interested, maintained under Section 189 of the Act, will be available for inspection by the members at the AGM.
7. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 18, 2021 to Tuesday, September 28, 2021.
8. The cut-off date for the purpose of determining the Members eligible for participation in voting at the AGM is Friday, September 17, 2021.
9. As per RBI notification, with effect 1, 2009 from October, the remittance of money through ECS is replaced by National Electronic Clearing Services (NECS) and banks have been instructed to move to the NECS platform. This is in addition to the existing facility of ECS in other locations. NECS essentially

KOTHARI WORLD FINANCE LIMITED

operates on the new and unique bank account number, allotted by banks pursuant to implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transaction. In this regard, shareholders holding shares in electronic form are requested to furnish the new 9-digit Bank Account Number allotted to them by your bank, (after implementation of CBS), along with photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP). Please send these details to the Company/Registrars, if the shares are held in physical form, immediately.

10. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.
11. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4.
12. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (D.P.) ID number on all correspondence with the Company.
13. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting, as extra copies will not be provided.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent.
15. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In Continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the company /Registrar and Share Transfer Agent for registration of such transfer of shares.
16. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company to eliminate all the risks associated with physical shares, promptly.
17. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.
18. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository.

19. Shareholders holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by sending a duly signed request letter to the Registrar and Share Transfer Agent of the Company, Link Intime India Private Limited (LIPL) by providing Folio No. and Name of shareholder(s). Shareholders holding shares in dematerialized mode are requested to register/update their email addresses with the relevant Depository Participants.

20. Manner of registering/updating their E-mail ID Shareholders who have still not registered their e-mail ID are requested to get their e-mail ID registered, as follows:

a. Shareholders holding Shares in Physical Mode: Shareholders holding shares in physical mode and who have not updated their email address are requested to update their email address by writing to the Registrar and Share Transfer Agent of the Company, viz., Link Intime India Pvt Ltd, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai - 400 083 or by sending email to rnt.helpdesk@linkintime.co.in along with the copy of the signed request letter mentioning the name and address of the Shareholder, Folio Number, scanned copy of the Share Certificate (front and back), self-attested copy of the PAN Card, and self attested copy of Aadhar Card and self-attested copy of any document (Driving License, Election Identity Card, Passport, Utility Bill) in support of the address of the Shareholder.

b. Shareholders holding Shares in Dematerialized Mode: Shareholders are requested to register their e-mail ID with the relevant Depository Participant(s). In case of any queries / difficulties in registering the e-mail address, Shareholders may write to Link Intime India Pvt. Ltd. at rnt.helpdesk@linkintime.co.in

We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. You can do this by updating your email addresses with your depository participants.

21. Members may also note that the Annual Report for the 36th AGM for the year 2020-21 will be available on the Company's website. (www.kothariworld.com)

22. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays, up to and including the date of the Annual General Meeting of the Company.

23. Attendance slip along with proxy form and route map is annexed thereto.

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

Item No. 3

The Board of Directors of the Company at their meeting held on 5th December, 2020 had appointed Mr. Manohar Mhatre (DIN: 00024326) as an Additional Director of the Company with effect from 5th December, 2020. Since the said appointment was made by the Board of Directors, as an Additional Director, he holds the office up to the date of ensuing Annual General Meeting in terms of the provisions contained in Section 161 of the Companies Act, 2013. Notice under Section 160 of the Companies Act, 2013 has been received from a member signifying the intention to the proposed appointment of Mr. Manohar Mhatre (DIN: 00024326) as Director of the Company.

Pursuant to Secretarial Standards-2, issued by the Institute of Company Secretaries of India, please find the details appended in Annexure 1 with respect to brief details of the Director.

Except Mr. Manohar Mhatre (DIN: 00024326), none of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at item No. 3 of the Notice.

The Board of Directors recommends the Ordinary Resolution set out at the Item No. 3 of the Notice for approval by the Members.

KOTHARI WORLD FINANCE LIMITED

Item No.4

Your Company would like to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent and other funds, body, university, institute, society, trust, etc. for charitable and other purposes.

In terms of the provisions of Section 181 of the Companies Act, 2013, any amount contributed to any charitable and other funds in excess of 5% of the Company's average net profits during the three immediately preceding financial years need prior approval of the Members of the Company. It is therefore necessary to obtain the approval of the Members of the Company for the contributions to be made by the Company in excess of the limits prescribed under the said section.

Approval of the Members is now being sought pursuant to Section 181 of the Companies Act, 2013, authorising the Board of Directors (or Committee thereof) of the Company to make contributions in any financial year for a total amount of upto Rs. 10 Lakh or 10% of the Company's average net profits of the three immediately preceding financial years, whichever is higher.

None of the Promoters/ Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 4 of this Notice.

The Board recommends the resolution set forth in Item no. 4 for the approval of the Members.

By and on behalf of Board of Directors
For KOTHARI WORLD FINANCE LIMITED

Place: Mumbai
Date: 23/07/2021

Sd/-
Nitesh Kothari
Director
(DIN: 00024195)

Annexure 1 to Explanatory Statement

Relevant details of Directors seeking appointment/ Re appointment as required by Regulation under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India are provided here under:

Name of the Director	Manohar Mhatre
DIN	00024326
Designation	Additional Director
Date of Birth/age	26/11/1965, 56 years
Date of first appointment on the Board,	05/12/2020
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	None of the Directors are related with Mr. Manohar Mhatre.
Qualification and Expertise in specific functional area	Mr. Manohar Mhatre is an undergraduate having experience in fields namely Accounts, legal and general administration. He is associated with this group/organization for the last 30 years. His sole moto and aim are to contribute for the growth of the company.
List of Directorship of other Board.	1. Kaikhusroo Manekji Mehta Stone and Engineering Works Private Limited 2. Vishal Construction Company Private Limited 3. Famous Commercial and Leasing Private Limited 4. Gold Coin Engineers Private Limited 5. D Dahyabhai and Co Private Limited 6. International Health Care Products Limited 7. Paras Silk Mills Private Limited 8. Steady Mercantile Company Private Limited
List of Membership / Chairmanship of Committees of other Board.	NA
Number of shares held in the Company as on March 31, 2021	40,000
Terms and conditions of appointment or re-appointment	As decided by the Board of Directors of the Company.
Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	NA
Number of Meetings of the Board attended during the year	2/2

DIRECTOR'S REPORT

To,
The Members of
KOTHARI WORLD FINANCE LIMITED

1. INTRODUCTION:

Your Directors have pleasure in presenting the Thirty Sixth Annual report on the business and operations of the Company, together with the Audited Financial Statements for the Financial Year ended March 31, 2021.

2. FINANCIAL HIGHLIGHTS:

Financial highlights of the Company are presented in the table below:

(Amount in Rs.)

Sr. No.	PARTICULARS	STANDALONE		CONSOLIDATED	
		2020-2021	2019 - 2020	2020-2021	2019 - 2020
1	Total Income	6,19,75,062	4,71,81,921	6,19,75,062	4,71,81,921
2	Total Expenditure	1,79,23,645	3,16,68,211	1,79,23,645	3,16,68,211
3	Profit before Tax	4,40,51,417	1,55,13,710	4,40,51,417	1,55,13,710
4	Provision for Taxation				
	(1) Current Tax	56,14,400	51,66,600	56,14,400	51,66,600
	(2) Earlier years Tax	-	(1,53,733)	-	(1,53,733)
	(3) Deferred Tax	35,23,047	(34,66,777)	35,23,047	(34,66,777)
5	Profit after Tax	3,49,13,970	1,39,67,621	3,49,13,970	1,39,67,621
6	Share in Profit of associates	---	---	22,78,173	24,77,860
7	Other comprehensive income (OCI)	---	---	---	---
8	Total comprehensive income for the year	---	---	3,71,92,143	1,64,45,481
9	Earning Per Equity Share:				
	(1) Basic	4.69	1.88	5.00	2.21
	(2) Diluted	4.69	1.88	5.00	2.21

3. TRANSFER TO RESERVE:

During the year under review, an amount of Rs. 3,49,13,970 is proposed to be carried forward to the Profit & Loss Account and no amount was transferred to General Reserve.

4. DIVIDEND:

The Directors of the Company have decided to conserve the resources and no dividend is being recommended.

KOTHARI WORLD FINANCE LIMITED

5. REVIEW OF OPERATIONS:

On Standalone basis, Sales from operations for FY 2020-21 stood at Rs. 6,10,54,336 as compared to Rs. 4,69,40,150 in FY 2019-20.

On Consolidated basis, Sales from operations for FY 2020-21 stood at Rs. 6,10,54,336 as compared to Rs. 4,69,40,150 in FY 2019-20.

6. CHANGE IN NATURE OF BUSINESS, IF ANY:

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

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

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statement relate and the date of the report.

8. STATE OF AFFAIRS:

During the year under review, your Company enjoyed cordial relationship with employees at all levels.

9. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL:

There are no significant and material orders issued against the Company by any regulating authority or court or tribunal affecting the going concern status and Company's operation in future.

10. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:

There were no frauds reported by the Auditors under section 143(12) during the Financial Year under review.

11. COMPLIANCE WITH THE APPLICABLE SECRETARIAL STANDARDS:

Your Board informs you that during the Financial year under review, the Company has complied with the provisions of the Board Meetings and the General Meetings as stated in Secretarial Standard-1 (SS-1) and Secretarial Standard- 2 (SS-2) respectively, issued by the Institute of Company Secretaries of India (ICSI), constituted under Section 3 of Company Secretaries Act, 1980.

12. HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

There is no subsidiary company of Kothari World Finance Limited

Your Company has the following Company as its Associate Company at the year end. Statement containing salient features of the financial statement of the following Associate Companies are made in Form AOC-1 as (Part "B": associates) and attached to this report as "Annexure - [I]

Name of the Company	Associate/Subsidiary/JV
International Health Care Products Limited (IHCPL)	Associate

Your Company does not have any Joint Venture Company at the year end.

13. CONSOLIDATED FINANCIAL STATEMENTS:

The Annual Consolidated Financial Statements together with the Report of the Auditors' thereon forms part of this Annual Report.

14. DELISTING OF EQUITY SHARES FROM BSE LIMITED, THE ONLY STOCK EXCHANGE WHERE SECURITIES WERE LISTED:

The Equity Shares of the Company has been delisted from BSE Limited (BSE), the only stock exchange where shares were listed w.e.f. 19th June, 2020. As per BSE notice dated 5th June, 2020, the trading in the equity shares of Kothari World Finance Limited (Scrip Code: 511138) is discontinued w.e.f. Friday June 12, 2020. Further the above scrip is delisted from the Exchange records w.e.f. Friday June 19, 2020. Trading Members may further note that the exit option was kept open by the promoter/ acquirer of the company i.e. Mr. Nitesh Kothari, for the remaining public shareholders for a period of minimum one year from the date of delisting at the rate of Rs. 52/- (Rupee Fifty Two only) per Equity Share, being the exit price determined.

15. DEPOSITS:

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 and the necessary rules made thereunder during the year ended 31st March 2021.

16. STATUTORY AUDITORS:

As per the provisions of Sections 139, 142 and all other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) at the 35th Annual General Meeting of the Company held on September 30, 2020, the Members of the Company had appointed M/s. V. K Beswal & Associates, Chartered Accountants, Mumbai (Firm Registration No. 101083W), as the Statutory Auditors of the Company to hold the office for a term of 5 (five) years from the conclusion of 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting to be held in the year 2025.

The Statutory Auditors' report on the Financial Statements for the financial year ended March 31, 2021 does not contain any qualification, reservation or adverse remark and is self-explanatory and unmodified and thus does not require any further clarifications/comments.

The Auditors' Report for the financial year ended March 31, 2021 on the financial statements of the Company is a part of this Annual Report.

17. SHARE CAPITAL:

a. Authorised and Paid-up Share Capital:

During the year there is no changes in Authorised and Paid-up capital of the Company. Company has not issued any shares during the year.

KOTHARI WORLD FINANCE LIMITED

b. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees

The company has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees as per Rule 16(4) of Companies (share capital and debentures) Rules, 2014.

c. Issue of Sweat Equity Shares:

The Company has not issued any sweat equity share during the financial year in accordance with the provisions of Section 54 of Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014.

d. Issue of Equity Shares with Differential Rights:

The Company has not issued any Equity Shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share capital and debentures) Rules, 2014.

e. Issue of Employee Stock Option:

The company has not issued any employee stock option during the financial year as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014.

f. Issue of Equity Shares Without Differential Rights:

The Company has not issued any equity shares with differential voting rights during the financial year as per Rule 4(4) of Companies (Share capital and debentures) Rules, 2014.

18. EXTRACTS OF ANNUAL RETURN:

As required under Section 92(3) and 134(3) (a) of the Act and Rule 12(1) of the Companies (Management and Administration) Rules, 2014 (as amended), an extract of Annual Return in Form MGT - 9 is available on Company's website on the link http://www.kothariworld.com/investor_relations.html

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are:

a) Conservation of Energy Technology absorption:

As there had been no manufacturing activities, your Directors have nothing to report under Section 134(3)(m) of the Companies Act, 2013.

The management keeps itself abreast of the technological advancements in the industry and has adopted the state-of-the-art transaction, billing and accounting systems and also risk management solutions.

b) Foreign Exchange Earnings and outgoing -NIL
Expenditure in foreign currency: NIL

Earnings in foreign exchange: Nil

20. 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 to the Company.

21. BOARD EVALUATION:

The provisions relating to evaluation of performance of the Board and Individual Directors pursuant to provisions of Section 134 of the Companies Act, 2013 is no more applicable to the Company as the Company has been delisted from BSE Limited and the Paid up Share Capital of the Company does not exceed 25 crores.

22. DIRECTOR /KEY MANAGERIAL PERSONNEL (KMP):

During the year under review, following changes took place in the Composition of Board:

At the Board Meeting held on 5th December, 2020, Mr. Manohar Mhatre (DIN: 00024326) was appointed as an Additional Director of the Company with effect from 5th December, 2020. The Board recommends his appointment as the Director of the Company at the ensuing Annual General Meeting.

Ms. Atheva Mayekar (07663999) placed her resignation as an Independent Director of the Company with effect from 5th December, 2020.

Mr. Vivek Mhatre (DIN:0 07678498) placed his resignation as an Independent Director of the Company with effect from 5th December, 2020.

Independent Director:

Pursuant to the delisting of the Company from BSE Limited, the only stock exchange where Company's equity shares were listed, the provisions for appointment of 'Independent Director' are no more applicable to the Company under the Companies Act, 2013 and the necessary rules made thereunder.

Key Managerial Personnel (KMP):

Pursuant to the delisting of the Company from BSE Limited, the only stock exchange where Company's equity shares were listed, the provisions for appointment of 'Key Managerial Personnel (KMP)' are no more applicable to the Company under the Companies Act, 2013 and the necessary rules made thereunder.

Following changes took place in the Composition of Key Managerial Personnel of the Company during the year:

Ms. Ekta Rathod placed her resignation as Chief Financial officer and Key Managerial Personnel (KMP) of the Company with effect from 5th December, 2020.

Ms. Madhu Kadam placed her resignation as a Company Secretary, Compliance Officer and Key Managerial Personnel (KMP) of the Company with effect from 5th December, 2020.

After noting the above-mentioned changes, the Board comprises of following at the end of the year under review:

KOTHARI WORLD FINANCE LIMITED

Sr. No.	Name	Designation	DIN
1.	Mr. Nitesh P Kothari	Director	00024195
2.	Mrs. Liza Kothari	Managing Director	01273272
3.	Mr. Manohar Mhatre	Additional Director	00024326

23. DIRECTOR LIABLE TO RETIRE BY ROTATION:

In accordance with the provision of Section 152(6)(a) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nitesh Kothari, Director (DIN: 00024195), of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Board recommends his re-appointment.

24. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR:

Your Board of Directors has duly met seven (7) times during the financial year under review and in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

The dates of Board meetings and attendance of directors is as follows:

Sr. No.	Dates of Board Meetings	No. of Directors associated with the company as on date	No. of Directors Attended
1	26 th June, 2020	4	4
2	9 th September, 2020	4	4
3	7 th October, 2020	4	4
4	26 th November, 2020	4	4
5	5 th December, 2020	4	4
6	17 th December, 2020	3	3
7	18 th March, 2021	3	3

The necessary quorum was present for all the meetings. The maximum interval between any two meetings did not exceeded 120 days

25. AUDIT COMMITTEE, NOMINATION AND REMUNERATION COMMITTEE AND STAKEHOLDER RELATIONSHIP COMMITTEE:

Pursuant to the delisting of the Company from BSE Limited, the only stock exchange where Company's equity shares were listed, the provisions for constituting Audit Committee, stakeholder relationship committee and Nomination and Remuneration Committee is no more applicable to the Company under the Companies Act, 2013 and the necessary rules made thereunder.

Hence, the Audit Committee, stakeholder relationship committee and Nomination and Remuneration Committee were dissolved by the Board at the Board meeting dated 5th December, 2020.

26. REMUNERATION POLICY:

Pursuant to the delisting of the Company from BSE Limited, the only stock exchange where Company's equity shares were listed, the provisions for constituting Nomination and Remuneration Committee and adoption of policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management is no more applicable to the Company under the Companies Act, 2013 and the necessary rules made thereunder.

27. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

As such, the provision for constituting a Vigil Mechanism for Directors and employees to report genuine concerns is no more applicable to the Company under the Companies Act, 2013.

28. ENVIRONMENT, HEALTH AND SAFETY:

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

29. POLICY ON PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has formulated a Policy on Prevention of Sexual Harassment at Workplace for prevention, prohibition and redressal of sexual harassment at workplace in accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as "Prevention of Sexual Harassment Act"). As the Company have less than 10 nos. of employees, the company is not required to constitute Internal Complaints Committee (ICC).

During the year under review, no complaints were reported to the Board. This Policy considered and approved by the Board has been uploaded on the website of the Company at www.kothariworld.com under investor relations/policies/prevention of Sexual Harassment at workplace.

The Company is committed to providing a safe and conducive work environment to all of its employees and associates.

30. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

Details of Loans, Guarantees and Investment covered under the provisions of Section 186 of the Companies Act, 2013 read with the Rules framed thereunder as amended, are given in the notes to the Financial Statements.

Your Company is exempt from the provisions of Section 186 of the Companies Act, 2013 being a NBFC Company.

31. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:

There were no Contracts or Arrangements made with related parties during the year.

32. STATEMENTS CONCERNING DEVELOPMENT AND IMPLEMENTATION OF THE RISK MANAGEMENT POLICY OF THE COMPANY:

The Company has an effective risk management policy which is capable of identifying various types of risks associated with the business, its assessment, risk handling, monitoring and reporting. At present the company has not identified any element of risk which may threaten the existence of the company

33. MAINTANANCE OF COST RECORDS AS SPECIFIED BY THE CENTRAL GOVERNMENT UNDER SUB-SECTION (1) OF SECTION 148 OF THE COMPANIES ACT, 2013, IF ANY:

As such, the provision for maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the company.

KOTHARI WORLD FINANCE LIMITED

34. DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits that:

- a. In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures,
- b. 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 financial year and of the profit and loss of the company for that period,
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- d. The Directors have prepared the annual accounts on a going concern basis,
- e. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

35. ACKNOWLEDGMENT:

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Company's Bankers and thanks its shareholders for their continued support.

**FOR AND ON BEHALF OF
KOTHARI WORLD FINANCE LIMITED**

Sd/-
Nitesh Kothari
Director
(DIN: 00024195)

Sd/-
Liza Kothari
Managing Director
(DIN: 01273272)

PLACE: Mumbai
DATE: 23/07/2021

ANNEXURE – I TO THE DIRECTORS' REPORT

Form AOC-I

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

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

Part "A": Subsidiaries : Not Applicable

(Information in respect of each subsidiary to be presented with amounts in Rs.)

Not Applicable

Sr. No	-
Name of the Subsidiary	-
The date since when subsidiary was acquired	-
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries.	-
Share Capital	-
Reserves & surplus	-
Total assets	-
Total Liabilities	-
Investments	-
Turnover	-
Profit before taxation	-
Provision for taxation	-
Profit after Taxation	-
Proposed Dividend	-
Extent of Shareholder (in percentage)	-
	-

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: None
- Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Name of Associates / Joint Venture	International Health Care Products Limited
1.Latest Audited Balance Sheet Date	31st March 2021
2. Date on which the Associates or Joint Venture was associated or acquired.	10th May, 2010
3.Shares of Associate / Joint Ventures held by the Company on the year end	
No of Shares	7050
Amount of Investment in Associates / Joint Venture	7,05,000/-
Extent of Holding in %	26.11%
4.Description of how there is significant influence	Common Directors & Shareholding
5.Reason why the associate / Joint venture is not consolidated	NA
6.Networth attributable to Shareholding as per latest audited Balance Sheet	Rs. 1,70,43,924
7. Profit / Loss for the year	
i. Considered in Consolidation	Rs. 2,53,727
ii. Not Considered in Consolidation	

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.
Names of associates or joint ventures which are yet to commence operations. None
Names of associates or joint ventures which have been liquidated or sold during the year. None

**FOR AND ON BEHALF OF
KOTHARI WORLD FINANCE LIMITED**

Sd/-
Nitesh Kothari
Director
(DIN: 00024195)

Sd/-
Liza Kothari
Managing Director
(DIN: 01273272)

PLACE: Mumbai
DATE:23/07/2021

INDEPENDENT AUDITORS' REPORT

**To The Members of
Kothari World Finance Limited**

Report on the Audit of the IND AS Standalone Financial Statements

1. Opinion

We have audited the accompanying standalone Ind AS financial statements of **Kothari World Finance Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2021, and the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and notes to the financial statement including a summary of significant accounting policies and other explanatory information (**herein after referred to as "standalone Ind AS financial statements"**)

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs of the Company as at 31 March 2021, and its financial performance including comprehensive income, its cash flows and the change in equity for the year ended on that.

2. Basis for Opinion

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

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

4. Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

5. Management's Responsibility for the Standalone Ind AS Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

6. Auditors Responsibility for the Audit of the Standalone Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

KOTHARI WORLD FINANCE LIMITED

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Report on Other Legal and Regulatory Requirements

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 Companies Act 2013, we give in the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable..

A. 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 purpose 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 Standalone IND AS Balance sheet, the standalone statement of profit and loss including other comprehensive income, the statement of cash flow and the statement of changes in equity dealt with by this report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rule issued thereunder.
- e. On the basis of the written representations received from the directors as on 31 March, 2021 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
- f. We have also audited the internal financial controls over financial reporting (IFCoFR) of the Company as on 31 March 2021 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date and our report dated 23/07/2021 as per Annexure II expressed.

KOTHARI WORLD FINANCE LIMITED

- B. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which may impact its standalone Ind AS financial statements;
 - ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

- C. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For V K Beswal & Associates
Chartered Accountants
Firm Registration No 101083W

Sd/-
CA Nishit S. Agrawal
Partner
M No-159882
UDIN No. : 21159882AAAAEJ8187

Place: Mumbai
Date: July 23, 2021

KOTHARI WORLD FINANCE LIMITED

Annexure I to the Standalone IND AS Independent Auditor's Report

With reference to the Annexure I referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31st March 2021, we report the following:

- 1. In respect of Property, Plant & Equipments:**
 - a)** The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b)** During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies have been noticed on such verification. In our opinion, this frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c)** According to the information and explanations given to us and the records examined by us the Company does not have any immovable properties under Property, plant and equipment. Accordingly, the provisions of the clause 3(I)(c) of the Order is not applicable to the Company.
- 2.** The Company does not hold any securities in physical form. The securities held as stock-in-trade have been confirmed by the Management with the statement of holdings provided by the custodian at regular intervals. No material discrepancies were noticed on comparing the statement received from custodian with book records of books of account.
- 3.** In our opinion and accordingly to the information, and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) to (c) of the Order are not applicable to the Company.
- 4.** In our opinion and according to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security to the parties covered under section 185 of the Act. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the Management, the Company has complied with the provisions of section 186 of the Act in respect of the loans and investments made and guarantees and securities provided by it, to the extent applicable to the Company.

5. According to the information and explanations given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. Further, according to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal.
6. To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. in respect of the business activities carried on by the company. Accordingly, the provisions of the clause 3 (vi) of the Order is not applicable to the Company.
7. In respect of Statutory Dues:
 - a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues Including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities.
 - b) According to the information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax. Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax outstanding on account of any dispute.
8. The Company has not taken any Loans or borrowings from financial institutions, banks and government or has not issued any debentures. Accordingly, provisions of the clause 3(viii) of the Order is not applicable to the Company.
9. According to information and explanations given to us, the company has not raised moneys during the year by way of initial public offer or further public offer (including debt instruments) or term loans. Accordingly, provisions of the clause 3 (ix) of the Order is not applicable to the Company.
10. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

KOTHARI WORLD FINANCE LIMITED

11. In our opinion and according to the information and explanation given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act, 2013.
12. In our opinion and according to Information and explanations provided to us, the Company is not a Nidhi Company. Accordingly, provisions of the clause 3(xii) of the Order is not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
14. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debenture during the year under review. Accordingly, provisions of the clause 3 (xiv) of the Order is not applicable to the Company.
15. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with Directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order is not applicable to the Company.
16. The Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and it has obtained the registration.

For V K Beswal & Associates

Chartered Accountants

Firm Registration No 101083W

Sd/-

CA Nishit S. Agrawal

Partner

M No-159882

UDIN No. : 21159882AAAAEJ8187

Place: Mumbai

Date: July 23, 2021

Annexure II to the Standalone IND AS Independent Auditor's Report**1. Independent Auditor's report on the Internal Financial Controls with reference to financial statements and its operative effectiveness under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

In conjunction with our audit of the standalone Ind AS financial statements of **Kothari World Finance Limited** ("the Company") as of and for the year ended 31st March, 2021, we have audited the internal financial controls over financial reporting (IFCoFR) of the company of as of that date.

2. Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements, that were operating effectively for ensuring the orderly and efficient conduct of the company's 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 Act.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were 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 IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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 IFCoFR.

4. Meaning of Internal Financial Controls over Financial Reporting

A company's IFCoFR 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 including the Accounting Standards. A company's IFCoFR 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 including Accounting Standards, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021, based on the criteria being specified by management.

For V K Beswal & Associates
 Chartered Accountants
 Firm Registration No 101083W

Sd/-
CA Nishit S. Agrawal
 Partner
 M No-159882
 UDIN No. : 21159882AAAAEJ8187

Place: Mumbai
 Date: July 23, 2021

KOTHARI WORLD FINANCE LIMITED
Standalone Balance Sheet as on March 31, 2021
 (Currency: Amount in Rupees)

Particulars	Note Nos.	As at 31-03-21	As at 31-03-20
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	2	26,874,007	25,695,055
(b) Bank balances other than cash and cash equivalents	3	64,602,530	37,681,260
(c) Receivables	4		
Trade receivables		4,833,968	2,504,069
Other receivables		7,752,411	3,585,575
(d) Inventory	5	2,465,690	2,692,314
(e) Loans	6	946,559	1,159,628
(f) Investments	7	3,415,100	3,415,100
(g) Other financial assets	8	6,412,710	2,889,308
Total financial assets		117,302,976	79,622,308
2 Non-Financial Assets			
(a) Current tax assets (Net)	9	2,286,788	2,049,363
(b) Deferred tax assets (Net)	10	-	3,508,281
(c) Investment Property	11	96,754,309	106,761,429
(d) Property, plant and equipment	12(i)	4,040,707	106,001
(e) Other intangible assets	12(ii)	31,602	58,628
(f) Other non-financial assets	13	57,304,473	57,172,399
Total non-financial assets		160,417,879	169,656,100
TOTAL ASSETS		277,720,855	249,278,408
LIABILITIES AND EQUITY			
3 Financial Liabilities			
(a) Payables	14		
i) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
ii) Other payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		518,154	792,274
(b) Borrowings (Other than Debt Securities)	15	3,724,109	-
(c) Other financial liabilities	16	6,183,677	5,088,245
Total financial liabilities		10,425,939	5,880,520
4 Non-Financial Liabilities			
(a) Current tax liabilities (net)	17	-	-
(b) Deferred tax liabilities	18	14,766	-
(c) Provisions	19	1,831,831	15,438,012
(d) Other non-financial liabilities		-	511,000
Total non-financial liabilities		1,846,597	15,949,012
5 Equity			
(a) Equity share capital	20	74,375,000	74,375,000
(b) Other equity	21	191,073,319	153,073,876
Total equity		265,448,319	227,448,876
TOTAL LIABILITIES AND EQUITY		277,720,855	249,278,408

Significant accounting policies

See accompanying notes forming part of the financial statements

As per our attached report of even date

For V K Beswal & Associates
 Chartered Accountants
 ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

 Sd/-
CA Nishit S Agrawal
 Partner
 Membership No : 159882

 Sd/-
Liza Kothari
 Managing Director
 DIN No.: 01273272

 Sd/-
Nitesh Kothari
 Director
 DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

KOTHARI WORLD FINANCE LIMITED
Statement of Standalone Profit and Loss for year ended March 31, 2021

(Currency: Amount in Rupees)

Particulars	Note Nos.	2020-21	2019-20
Revenue from operations			
Interest income	22	5,056,125	6,051,266
Rental income	23	35,883,908	39,529,341
Net gain on fair value changes	24	13,858,423	1,263,135
Sale of shares	25	6,234,842	-
Trading in Future & Options (net Gain/Loss)	26	-	-
Dividend Income	27	21,038	96,408
Total revenue from operations		61,054,336	46,940,150
Other income	28	920,727	241,770
Total income		61,975,062	47,181,921
Expenses			
Purchase of stock in trade	29	887,905	500,496
Changes in inventories of stock in trade	30	226,623	5,047,695
Trading in Future & Options (net)	26	6,942,427	1,568,626
Employee benefits expenses	31	2,487,030	3,327,368
Depreciation and amortization expenses	32	3,013,677	2,879,469
Finance Costs	33	553,092	577,756
Other expenses	34	3,812,892	17,766,801
Total expenses		17,923,645	31,668,211
Profit before tax		44,051,417	15,513,710
Tax expense:			
Current tax		5,614,400	5,166,600
Deferred tax (credit)/charge		3,523,047	(3,466,777)
Income tax for earlier year		-	(153,733)
Total tax expense		9,137,447	1,546,089
Profit for the year		34,913,970	13,967,621
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		-	-
Tax impact on above		-	-
Items that will be reclassified to profit or loss in subsequent periods:			
Changes in fair value of fair value through OCI (FVOCI) debt securities		-	-
Tax impact on above		-	-
Other comprehensive income for the year (net of tax)		-	-
Total comprehensive income for the year		34,913,970	13,967,621
Earnings Per Share (Basic and Diluted) (in Rs.)	35	4.69	1.88

Significant accounting policies

^1

See accompanying notes forming part of the financial statements

^2-52

As per our attached report of even date

For V K Beswal & Associates
For and on Behalf of Board of Directors

Chartered Accountants

ICAI Firm Registration No.: 131308W

Sd/-

CA Nishit S Agrawal

Partner

Membership No : 159882

Sd/-

Liza Kothari

Managing Director

DIN No.: 01273272

Sd/-

Nitesh Kothari

Director

DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

KOTHARI WORLD FINANCE LIMITED
Standalone Cash Flow Statement For The Year Ended March 31, 2021
(Currency: Amount in Rupees)

Particulars	2020-21	2019-20
A. Cash flow from operating activities:		
Net Profit before Tax	44,051,417	15,513,710
Adjustments for:		
Depreciation	3,013,677	2,879,469
Provision for diminution in value of investment	-	-
Provision for ECL & Fair Value Changes	(13,858,423)	(1,263,135)
Interest on Income Tax Refund	-	(41,590)
Profit on sale of Investment	(920,727)	-
Finance Costs	553,092	577,756
Contingent Provisions against Standard Assets	-	(139,736)
Contingent Provisions against sub-Standard Assets	-	13,925,900
Provision for Expected credit loss	320,251	220,950
Prior Period Income	4,122,801	-
Dividend Income on Investments	(21,038)	(96,408)
Operating profit before working capital changes	37,261,050	31,576,916
Adjustments for:		
Increase/(Decrease) in payables	(274,120)	191,840
Increase/(Decrease) in long-term provisions	-	-
Increase/(Decrease) in other financial liabilities	618,414	70,690
Increase/(Decrease) in other non-financial liabilities	(511,000)	464,354
(Increase)/Decrease in inventories	226,623	5,047,695
(Increase)/Decrease in other financial assets	(3,523,402)	(1,045,626)
(Increase)/Decrease in other non-financial assets	(132,074)	155,382
(Increase)/Decrease in loans	213,069	191,120
(Increase)/Decrease in other bank balances	(26,921,271)	(15,425,067)
(Increase)/Decrease in receivables	(6,496,736)	(4,637,732)
Cash generated from operations	460,553	16,589,574
Direct taxes refund / (paid) (Net)	(6,889,154)	(6,500,973)
Net cash Generated from operating activities A	(6,428,601)	10,088,601
B. Cash flow from investing activities:		
Purchase of Property, Plant & Equipments	(4,270,329)	(135,131)
Purchase of Investment	(83,182)	-
Proceeds from sale of fixed assets	-	-
Proceeds from sale of Investment	8,360,000	-
Interest on Income Tax Refund	-	41,590
Non current investments	-	-
Dividend income from investment	21,038	96,408
Net cash generated from (used in) investing activities B	4,027,527	2,867
C. Cash flow from Financing activities:		
Proceeds (Repayment) of unsecured loans from borrowings (Net)	3,724,109	-
Finance Cost	(144,084)	-
Equity Shares issued	-	-
Share Premium	-	-
Share money received	-	-
Dividend including dividend distribution tax	-	-
Net cash inflow / (outflow) from financing activities C	3,580,025	-
D. Net Increase / (Decrease) in cash and cash equivalents	1,178,951	10,091,468
E. Cash and cash equivalents at the beginning of the year	25,695,055	15,603,587
F. Cash and cash equivalents at the end of the year	26,874,007	25,695,055

Components of cash and cash equivalents

Particulars	As at 31-03-21	As at 31-03-20
Balance with Banks		
- in Current Accounts	364,725	949,097
- in Fixed Deposits (with original maturity period not more than 3 months)	26,507,438	24,650,000
Cash on hand	1,844	95,958
Total cash and cash equivalents at the end of the year	26,874,007	25,695,055

Notes:

- Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Previous years figures are regrouped / recasted wherever necessary.

Significant accounting policies : 1
See accompanying notes forming part of the financial statements : 2-52
As per our attached report of even date

For V K Beswal & Associates
Chartered Accountants
ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

Sd/-
CA Nishit S Agrawal
Partner
Membership No : 159882

Sd/-
Liza Kothari
Managing Director
DIN No.: 01273272

Sd/-
Nitesh Kothari
Director
DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Standalone Statement of Changes in Equity as on March 31, 2021

(Currency: Amount in Rupees)

Statement of changes in equity

A	Equity share capital	Note No.	Number	Amount
	Balance as at April 1, 2019	20	7,437,500	74,375,000
	Changes in Equity Share Capital during the year			-
	Balance as at 31 March 2020			74,375,000
	Changes in Equity Share Capital during the year			-
	Balance as at 31 March 2021			74,375,000

B Other equity

For the year ended March 31, 2021

	Reserves and surplus					Other Comprehensive Income		Total other equity
	Securities premium account	Employee stock options outstanding account	Statutory reserve fund	General reserve	Retained earnings- other than remeasurement of post employment benefit obligations	Retained earnings-remeasurement of post employment benefit obligations	Other comprehensive income on debt securities	
Balance as at April 1, 2019	37,345,000	-	20,472,399	100,000	81,188,855	-	-	139,106,255
Profit for the year	-	-	-	-	13,967,621	-	-	13,967,621
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	37,345,000	-	20,472,399	100,000	95,156,477	-	-	153,073,876
Transfer to reserve fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	2,793,524	-	(2,793,524)	-	-	-
Premium on issue of shares	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	37,345,000	-	23,265,924	100,000	92,362,952	-	-	153,073,876
Balance as at April 1, 2020	37,345,000	-	23,265,924	100,000	92,362,952	-	-	153,073,876
Profit for the year	-	-	-	-	34,913,970	-	-	34,913,970
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	37,345,000	-	23,265,924	100,000	127,276,922	-	-	187,987,846
Transfer to reserve fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	7,599,889	-	(7,599,889)	-	-	-
Prior Period Rentals & Interest Income	-	-	-	-	4,122,801	-	-	4,122,801
Tax Expenses related to Prior Period Rentals & Interest Income	-	-	-	-	(1,037,328)	-	-	(1,037,328)
Premium on issue of shares	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	37,345,000	-	30,865,812	100,000	122,762,507	-	-	191,073,319

The accompanying notes are an integral part of the financial statements

As per our attached report of even date

For V K Beswal & Associates

Chartered Accountants

ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

Sd/-

CA Nishit S Agrawal

Partner

Membership No : 159882

Sd/-

Liza Kothari

Managing Director

DIN No.: 01273272

Sd/-

Nitesh Kothari

Director

DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Standalone Statement of Changes in Equity as on March 31, 2021

(Currency: Amount in Rupees)

Notes Forming Part of the Financial Statements

Brief Profile

Kothari World Finance Limited ('the Company') is a Public Company incorporated under the provisions of the Companies Act, 1956 on January 5, 1985 and registered as a Non-Banking Finance Company (NBFC) under section 45-IA of the Reserve Bank of India Act, 1934. The Company is engaged in the business of Lending & Investment Activities.

1 Significant Accounting Policies :

1.1 Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

1.2 Basis of preparation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value

measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- ii. Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3 Presentation of financial statements:

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the amounts of revenue, investment in subsidiaries & Investment in Financial Assets. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment this situation does not materially impact this financial result. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature & duration. The company will continue to monitor any material changes to future economic condition.

1.4 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 2 : Cash and cash equivalents

Particulars	As at 31-03-21	As at 31-03-20
Cash on hand	1,844	95,958
Balances with banks in current accounts	364,725	949,097
Term deposits with original maturity upto 3 months	26,507,438	24,650,000
Total	26,874,007	25,695,055

Note 3 : Bank balances other than cash and cash equivalents

Particulars	As at 31-03-21	As at 31-03-20
Balances with Banks :		
Deposits with Banks maturity over more than 3 Months and less than 12 months	10,856,113	32,517,272
Deposits with Banks maturity over more than 12 Months	53,746,417	5,163,988
Total	64,602,530	37,681,260

Details of term deposits - under lien

Notes :

Balance includes Rs.5,13,234/- (previous year Rs.7,96,525/-) which was kept as deposit with bank for issuing of bank guarantee for The DNH Power

i) Corporation Ltd.

Note 4 : Receivables

Particulars	As at 31-03-21	As at 31-03-20
I Trade receivables		
a) Trade receivables considered good - Secured		
b) Trade receivables considered good - Un-Secured	4,833,968	2,504,069
c) Trade receivables doubtful	-	-
Less : Provision for doubtful debts	-	-
d) Trade Receivables which have Low credit risk	-	-
e) Trade Receivables which have significant increase in Credit Risk; and	-	-
f) Trade Receivables which have credit impaired	-	-
A	4,833,968	2,504,069
II Other Receivables		
Unsecured, Considered Good	7,752,411	3,585,575
Cash Segment	7,752,411	3,585,575
B	7,752,411	3,585,575
Total	12,586,379	6,089,644

No trade or other receivable are due from director or other officers of the Company either severally or jointly with any other person, or from firms or private Companies respectively in which any director is a partner, a director or a member.

Note 5 : Inventory

Particulars	As at 31-03-21	As at 31-03-20
Shares and debentures (held as stock in trade)	2,465,690	2,692,314
Total	2,465,690	2,692,314

Note :

1 The fair market value of the stock lying in the inventory is Rs.67,53,937 (previous year Rs.1,21,46,444).

Note 6 : Loans

Particulars	As at 31-03-21	As at 31-03-20
Loans & Advances in India-at amortised cost		
- public sector	-	-
- other Loans		
secured (secured by tangible assets)	946,559	1,159,628
unsecured	-	-
Total	946,559	1,159,628

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021
 (Currency: Amount in Rupees)

Note 7 : Investments

Particulars	Face value	31-03-21		31-03-20	
		Quantity	Value	Quantity	Value
Investment in equity shares					
i) Quoted, fully paid-up	2	200,000	2,700,000 (2,700,000)	200,000	2,700,000 (2,700,000)
Tricom India Limited					
Less : Provision for diminution in value of investment			-		-
ii) Unquoted, fully paid-up					
Kaikhushroo Manekji Mehta Stone & Engg. Works Private Limited	10	5,000	50,000	5,000	50,000
Steady Mercantile Co. Private Limited	100	120	60,000	120	60,000
Munoth Hire Purchase Limited	10	56,900	98,437 (98,437)	56,900	98,437 (98,437)
Less : Provision for diminution in value of investment			110,000		110,000
iii) a) Associate company					
Unquoted, fully paid-up					
At Deemed Cost	100	7,050	2,530,100	7,050	2,530,100
International Health Care Products Limited					
b) Associates of associate company					
Unquoted, fully paid-up					
At Deemed Cost					
Goldcoin Engineers Private Limited	100	1,421	565,000	1,421	565,000
D.Dahyabhai & Co. Private Limited	100	1,100	110,000	1,100	110,000
Famous Commercial & Leasing Private Limited	100	200	100,000	200	100,000
Total net carrying value of investments			3,305,100		3,305,100
			3,415,100		3,415,100
Aggregate of Unquoted Investments	Cost		3,513,537		3,513,537
Aggregate of Quoted Investments	Cost		2,700,000		2,700,000
Market Value			-		-

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross impairment loss allowance.

	Stage	As at 31-03-21	As at 31-03-20
Term loans in India-at amortised cost			
- public sector	Stage-1	-	-
- others	Stage-2	946,559	1,159,628
secured (secured by tangible assets)	Stage-3	-	-
unsecured		946,559	1,159,628

Note 8 : Other financial assets

Particulars	As at 31-03-21	As at 31-03-20
<i>Unsecured, Considered Good unless otherwise stated</i>		
Interest accrued on bank deposits	3,658,891	2,799,308
Interest accrued on Capital Advances	2,749,753	-
Interest accrued others	4,066	-
Loan to Staff	-	90,000
Total	6,412,710	2,889,308

Note 9 : Current tax assets (Net)

Particulars	As at 31-03-21	As at 31-03-20
Current tax assets		
- Advance tax and tax deducted at source (net of provision for tax)	2,286,788	2,049,363
Total	2,286,788	2,049,363

Note 10 : Deferred tax assets (Net)

Particulars	As at 31-03-21	As at 31-03-20
Deferred tax liabilities		
Depreciation and amortization	15,362	-
Deferred tax asset		
Depreciation and amortization	-	2,681
Contingent Provision for standard & Sub-standard assets	595	3,505,600
Total	14,766	3,508,281

10.1 The components of income tax expense for the years ended 31 March 2020 and 2019 are:

	As at 31-03-21	As at 31-03-20
Current tax:		
In respect of current year	5,614,400	5,166,600
In respect of prior years	1,037,328	(153,733)
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	3,523,047	(3,466,777)
In respect of prior years	-	-
Total income tax recognised in profit or loss	10,174,775	1,546,089
Current tax & earlier year tax	5,614,400	5,012,867
Deferred tax	3,523,047	(3,466,777)
	9,137,447	1,546,089

10.2 Income tax recognised in other comprehensive income

	As at 31-03-21	As at 31-03-20
Deferred tax related to items recognised in other comprehensive income during the year:		
In respect of current year	-	-
Income tax relating to items that will not be reclassified to profit or loss	-	-
Total income tax recognised in other comprehensive income	-	-

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021
 (Currency: Amount in Rupees)

Note 11 : Investment Properties

Particulars	31-03-21				31-03-20			
	At amortized cost			Total	At amortized cost			Total
	Freehold Land	Buildings	Leasehold land and building		Freehold Land	Buildings	Leasehold land and building	
Investment in properties								
Gross carrying amount	22,824,112	106,928,073	9,054,619	138,806,804	22,824,112	106,928,073	9,054,619	138,806,804
Additions	-	83,182	-	83,182	-	-	-	-
Disposals and transfer	-	-	9,054,619	9,054,619	-	-	-	-
Closing gross carrying amount	22,824,112	107,011,255	-	129,835,367	22,824,112	106,928,073	9,054,619	138,806,804
Accumulated amortization	-	30,444,709	1,600,666	32,045,375	-	27,808,358	1,407,451	29,215,809
Amortization during the year	-	2,636,349	96,608	2,732,957	-	2,636,351	193,215	2,829,566
Disposals and transfer	-	-	1,697,274	1,697,274	-	-	-	-
Closing Accumulated amortization	-	33,081,058	-	33,081,058	-	30,444,709	1,600,666	32,045,375
Net Carrying Amount	22,824,112	73,930,197	-	96,754,309	22,824,112	76,483,364	7,453,953	106,761,429

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021
(Currency: Amount in Rupees)

Note 12 : Property, Plant and Equipment

Particulars	Tangible Assets				Intangible Assets	
	Plant & Machinery	Own Assets Furniture & Fixtures	Office Equipment	Vehicle	Total	Computer software's/Licensing cost
Gross carrying Amount						
Cost as at April 1, 2019	-	48,094	182,149	-	230,243	68,153
Additions	83,131	-	-	-	83,131	52,000
Disposals and transfers	-	-	-	-	-	-
Closing gross carrying amount	83,131	48,094	182,149	-	313,374	120,153
Accumulated depreciation						
Opening accumulated depreciation	-	46,747	144,328	-	191,075	27,920
Depreciation charge during the year	216	-	16,082	-	16,298	33,605
Disposals and transfers	-	-	-	-	-	-
Closing accumulated depreciation	216	46,747	160,410	-	207,373	61,525
Net carrying amount as at March 31, 2020	82,915	1,347	21,739	-	106,001	58,628
Gross carrying amount						
Opening gross carrying amount April 01, 2020	83,131	48,094	182,149	-	313,374	120,153
Additions	-	-	57,852	4,202,477	4,260,329	10,000
Disposals and transfers	83,131	-	-	-	83,131	-
Closing gross carrying amount	-	48,094	240,001	4,202,477	4,490,572	130,153
Accumulated depreciation						
Opening accumulated depreciation	216	46,747	160,410	-	207,373	61,525
Depreciation charge during the year	987	-	18,480	224,228	243,695	37,025
Disposals and transfers	1,203	-	-	-	1,203	-
Closing accumulated depreciation	-	46,747	178,890	224,228	449,865	98,550
Net carrying amount as at March 31, 2021	-	1,347	61,111	3,978,249	4,040,707	31,602

Notes :

1. On transition date the Company has elected to carry previous GAAP carrying amount as deemed cost.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021
(Currency: Amount in Rupees)

10.3 The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at 31-03-21	As at 31-03-20
a. Profit before tax	44,051,417	15,513,710
b. Applicable income tax rate (%)	25.17%	27.82%
c. Tax on accounting profit (c)=(a)*(b)	11,086,861	4,315,914
d. Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
i. Effect of income exempt from tax :	-	(26,821)
ii. Effect of expenses/provisions not deductible in determining taxable profit	5,472,461	(850,686)
iii. Effects of income not considered as taxable on compliance of condition	-	-
iv. Income tax for earlier year	-	-
v. Tax effect on various other Items	-	-
Total effect of tax adjustments [(i) to (v)]	5,472,461	(877,507)
e. Tax expense recognised during the year (e)=(c)-(d)	5,614,400	5,193,421
f. Actual effective income tax rate (%) (f)=(e)/(a)	12.75%	33.48%

Note 13 : Other non-financial assets

Particulars	As at 31-03-21	As at 31-03-20
<i>Unsecured, Considered Good unless otherwise stated</i>		
Capital advances	55,703,219	55,703,219
Balances with Statutory/Government Authorities		
- GST Balances	16,712	54,442
Prepaid Expenses	66,753	84,271
Security Deposits		
Unsecured	317,789	130,467
Considered Doubtful	1,200,000	1,200,000
Total	57,304,473	57,172,399

Note 14 : Payables

Particulars	As at 31-03-21	As at 31-03-20
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
	-	-
Other payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	518,154	792,274
	518,154	792,274
Total	518,154	792,274

Note 14.1 - Trade Payables includes Rs. Nil (Previous Years: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid/is payable by the Company during the year to "Suppliers" registered under this act. The above is based on the information available with the Company which has been relied upon by the auditors.

Note 15 : Borrowings (Other than Debt Securities)

Particulars	As at 31-03-21	As at 31-03-20
<i>At Amortized Cost</i>		
Secured, Term Loan		
From Financial Institution (Vehicle Loan)	3,724,109	-
Total	3,724,109	-

Note 15.1 - Term Loan is secured against the vehicle.

Note 16 : Other financial liabilities

Particulars	As at 31-03-21	As at 31-03-20
Deposits (not as defined in section 2 (31) of Companies Act, 2013)	4,974,411	4,697,393
Statutory Payables	361,489	390,852
Other Liabilities	847,777	-
Total	6,183,677	5,088,245

*Includes amounts pertaining to related parties Rs. Nil/- (previous year Rs. Nil/-)

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 17 : Current tax liabilities (net)

Particulars	As at 31-03-21	As at 31-03-20
Provision for tax (net of advance tax)	-	-
Total	-	-

Note 18 : Provisions

Particulars	As at 31-03-21	As at 31-03-20
Provision for impairment loss allowance		
Contingent Provisions against Standard Assets (loan)	2,366	2,899
Contingent Provisions against Sub-Standard Assets (loan)	-	13,925,900
Expected credit loss allowance (receivables)	629,465	309,213
Doubtful loss allowance (deposit)	1,200,000	1,200,000
Total	1,831,831	15,438,012

Note 19 : Other non-financial liabilities

Particulars	As at 31-03-21	As on 31-03-20
Advance receipts from customers	-	511,000
Others	-	-
Total	-	511,000

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 20 : Equity share capital

Particulars	As at 31-03-21	As at 31-03-20
Authorized Shares 2,50,00,000 (2,50,00,000) Equity Shares of Rs. 10/- each	250,000,000	250,000,000
Issued, Subscribed and fully Paid Up 74,37,500 (74,37,500) Equity Shares of Rs. 10/- each	74,375,000	74,375,000
Total	74,375,000	74,375,000

20.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	31-03-21		31-03-20	
	Number	Amount	Number	Amount
Equity shares of Rs.10 fully paid up				
Shares outstanding at the beginning of the year	7,437,500	74,375,000	7,437,500	74,375,000
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	7,437,500	74,375,000	7,437,500	74,375,000

20.2 Details of shareholders holding more than 5% of shares in the Company.

Name of Shareholder	31-03-21		31-03-20	
	No. of shares	% of Holding	No. of Shares	% of Holding
Liza Nitesh Kothari	660,275	8.88%	654,775	8.80%
Nitesh Prataprai Kothari	768,950	10.34%	761,750	10.24%
D Dahyabhai And Co Private Limited	967,500	13.01%	967,500	13.01%
Goldcoin Engineers Private Limited	724,120	9.74%	724,120	9.74%
Ramesh U Ramchandani	1,347,597	18.12%	1,331,147	17.90%

20.3 This disclosure is on the basis of legal ownership except where information regarding beneficial ownership is available from the records of the Company or from the depositories.

20.4 The company have one class of equity shares having par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, holder of equity shares will be entitled to receive remaining assets of the company. The distribution will be in the proportion to the number of equity shares held by the shareholders.

Note 21 : Reserve & Surplus

Particulars	As at 31-03-21	As at 31-03-20
a) Securities Premium Account		
Balance as at the beginning of the year	37,345,000	37,345,000
Add: Premium on shares issued during the year	-	-
Balance as at the end of the year	37,345,000	37,345,000
b) Statutory Reserve Fund (Refer note 20.2)		
Balance as at the beginning of the year	23,265,924	20,472,399
Add: Transfer from Surplus in the Statement of Profit & Loss (Refer note 3.1)	7,599,889	2,793,524
Balance as at the end of the year	30,865,812	23,265,924
c) General Reserve		
Balance as at the beginning of the year	100,000	100,000
Add: Transfer from Surplus in the Statement of Profit & Loss	-	-
Balance as at the end of the year	100,000	100,000
d) Surplus in the Statement of Profit & Loss		
Balance as at the beginning of the year	92,362,952	81,188,855
Add: Profit for the year	34,913,970	13,967,621
Less: Transfer to Reserve Fund (Refer footnote 1)	7,599,889	2,793,524
Add: Fair Value measurement through FVTPL	-	-
Less: Expected Credit Loss on Loans, Advances, Deposits & Receivables	-	-
Add : Prior Period Rentals & Interest Income	4,122,801	-
Less : Tax Expenses related to Prior Period Rentals & Interest Income	1,037,328	-
Balance as at the end of the year	122,762,507	92,362,952
Total Reserve & Surplus (a+b+c+d)	191,073,319	153,073,876

Notes:-

The amounts appropriated out of the surplus in the Statement of Profit and Loss are as under:

1. Reserve Fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934
2. Transfer to Special Reserve Rs.75.99 Lakh (Previous Year: Rs.27.95 Lakh) as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after tax for the year.

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 22 : Interest income

Particulars	2020-21	2019-20
Interest Income on financial assets measured at amortised costs:		
- Loans	129,507	2,199,505
- Fixed Deposits	4,922,221	3,847,079
- Other	4,396	4,683
On financial assets measured at FVTPL:		
- Interest income from investments	-	-
Total	5,056,125	6,051,266

Note 23 : Rental income

Particulars	2020-21	2019-20
License Fees (Net of GST)	35,883,908	39,529,341
Total	35,883,908	39,529,341

Note 24 : Net gain on fair value changes

Particulars	2020-21	2019-20
a) Net gain/loss on financial instruments at FVTPL		
i) On trading portfolio		
- Investments	-	-
ii) On financial instruments designated at FVTPL	-	-
b) Others	-	-
- mutual fund units		
- On financial instruments designated at FVTPL (deposits from customer's)	(68,010)	1,263,135
c) Changes in Fair value on Loans, advances & receivables		
- Provision for Fair value, measurement		
- Contingency Provisions on Sub-Standard Assets	13,925,900	-
- Contingency Provisions on Standard Assets	533	-
	13,858,423	1,263,135
Total net gain/(loss) on financial instruments at FVTPL		
Fair value changes:		
- realized	-	-
- unrealized	13,858,423	1,263,135
Total	13,858,423	1,263,135

Note 25 : Sale of shares

Particulars	2020-21	2019-20
Sale of shares	6,234,842	-
Total	6,234,842	-

Note 26 : Trading in Future & Options (net Gain/Loss)

Particulars	2020-21	2019-20
Net Gain/(Loss) in Future & Options	(6,942,427)	(1,568,626)
Total	(6,942,427)	(1,568,626)

Note 27 : Dividend Income

Particulars	2020-21	2019-20
Dividend - Equity Shares held in Stock-in-Trade	21,038	96,408
Total	21,038	96,408

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 28 : Other income

Particulars	2020-21	2019-20
Contingency Provisions on Standard Assets	-	139,736
Interest on income tax refund	-	41,590
Miscellaneous income	-	60,445
Profit on sale of Fixed Asset	920,727	-
Total	920,727	241,770

Note 29 : Purchase of stock in trade

Particulars	2020-21	2019-20
Equity Shares of Stock-in-Trade	887,905	500,496
Total	887,905	500,496

Note 30 : Changes in inventories of stock in trade

Particulars	2020-21	2019-20
Opening Inventory	2,692,314	7,740,008
Less : Closing Inventory	2,465,690	2,692,314
Changes in Inventory	226,623	5,047,695

Note 31 : Employee benefits expenses

Particulars	2020-21	2019-20
Salaries, Wages and Bonus	2,246,908	2,110,501
Directors Remuneration	200,000	1,200,000
Staff welfare Expenses	40,122	16,867
Total	2,487,030	3,327,368

Note 32 : Depreciation and amortization expenses

Particulars	2020-21	2019-20
Depreciation on Tangible assets (Also, refer note 9)	243,695	16,298
Depreciation on Intangible assets (Also, refer note 9)	37,025	33,605
Amortization on Investment properties (Also, refer note 9)	2,732,957	2,829,566
Total	3,013,677	2,879,469

Note 33 : Finance Costs

Particulars	2020-21	2019-20
On financial liabilities measured at amortised cost:		
On Security Deposits - INDAS	409,008	577,756
Interest Expenses		
- Term Loan	144,084	-
- Others		
Total	553,092	577,756

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 34 : Other expenses

Particulars	2020-21	2019-20
Advertisement Charges	34,851	102,103
Electricity Charges	530,708	108,431
Repairs others	70,431	237,004
Insurance	-	63,207
Directors Sitting Fees	1,200	9,600
Listing Fee	300,000	300,000
Changes in Fair value on Loans, advances & receivables		
Provision for Fair value, measurement	320,251	220,950
Contingency Provisions on Sub-Standard Assets	-	13,925,900
Legal and Professional Fees	994,641	1,413,290
Auditors Remuneration (Refer Note No. 34.1)	110,000	100,000
Travelling and Conveyance	207,024	14,310
Office Rent	110,940	110,940
Printing and Stationery	18,555	31,525
Property Tax and Maintenance Charges	605,748	835,397
Rates & Taxes	412,533	215,451
Miscellaneous Expenses	96,009	78,693
Total	3,812,892	17,766,801

Note 34.1: Auditors Remuneration

Particulars	2020-21	2019-20
As Auditor:		
Audit Fee	90,000	80,000
Tax Audit Fee	-	-
Others	20,000	20,000
Total	110,000	100,000

Note 35 : Basic and Diluted Earnings per share [EPS] computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per Share":

Particulars	2020-21	2019-20
Net Profit After Tax available for Equity Shareholders - (Rs.)	34,913,970	13,967,621
Weighted average number of Equity Shares for Basic EPS	7,437,500	7,437,500
Weighted average number of Equity Shares for Diluted EPS	7,437,500	7,437,500
Nominal Value of Ordinary Shares	10	10
Basic & Diluted Earnings per Equity Share	4.69	1.88

Revised Calculation of Earnings Per Share for the F.Y. 2019-20 on account of booking of Prior Period Interest and dues and Tax Thereon, Charged to Reserve & Surplus (Refer Note 20)

Particulars	2019-20	
Net Profit After Tax available for Equity Shareholders - (Rs.)		
As Reported in FY 2019-20	13,967,621	
Add : Prior Period Rentals & Interest Income	4,122,801	
Less : Tax Expenses related to Prior Period Rentals & Interest Income	1,037,328	
Revised Net Profit After Tax available for Equity Shareholders - (Rs.)		17,053,094
Weighted average number of Equity Shares for Basic EPS		7,437,500
Weighted average number of Equity Shares for Diluted EPS		7,437,500
Nominal Value of Ordinary Shares		10
Basic & Diluted Earnings per Equity Share		2.29

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 36 : MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR

		As at March 31, 2021			As at March 31, 2020		
Particulars	Notes Nos.	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS							
1 Financial Assets							
(a) Cash and cash equivalents	2	26,874,007	-	26,874,007	25,695,055	-	25,695,055
(b) Bank balances other than cash and cash equivalents	3	10,856,113	53,746,417	64,602,530	32,517,272	5,163,988	37,681,260
(c) Receivables	4						
Trade receivables		4,833,968	-	4,833,968	2,504,069	-	2,504,069
Other receivables		7,752,411	-	7,752,411	3,585,575	-	3,585,575
(d) Inventory	5	2,465,690	-	2,465,690	2,692,314	-	2,692,314
(e) Loans	6	237,528	709,031	946,559	213,069	946,559	1,159,628
(f) Investments	7	-	3,415,100	3,415,100	-	3,415,100	3,415,100
(g) Other financial assets	8	6,412,710	-	6,412,710	2,889,308	-	2,889,308
2 Non-Financial Assets							
(a) Current tax assets (Net)	9	-	2,286,788	2,286,788	-	2,049,363	2,049,363
(b) Deferred tax assets (Net)	10	-	-	-	-	3,508,281	3,508,281
(c) Investment Property	11	-	96,754,309	96,754,309	-	106,761,429	106,761,429
(d) Property, plant and equipment	12(i)	-	4,040,707	4,040,707	-	106,001	106,001
(e) Other intangible assets	12(ii)	-	31,602	31,602	-	58,628	58,628
(f) Other non-financial assets	13	83,465	57,221,008	57,304,473	55,841,932	1,330,467	57,172,399
TOTAL ASSETS		59,515,892	218,204,963	277,720,855	125,938,593	123,339,815	249,278,408
LIABILITIES							
Liabilities							
3 Financial Liabilities							
(a) Payables	14						
i) Trade Payables							
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-
ii) Other payables							
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		518,154	-	518,154	792,274	-	792,274
(b) Borrowings (Other than Debt Securities)	15	501,106	3,223,002	3,724,109	-	-	-
(c) Other financial liabilities	16	1,798,066	4,385,611	6,183,677	965,291	4,122,954	5,088,245
4 Non-Financial Liabilities							
(a) Current tax liabilities (net)	17	-	-	-	-	-	-
(b) Deferred tax liabilities	10	-	14,766	14,766	-	-	-
(c) Provisions	18	1,831,831	-	1,831,831	15,438,012	-	15,438,012
(d) Other non-financial liabilities	19	-	-	-	-	511,000	511,000
TOTAL LIABILITIES		4,649,157	7,623,380	12,272,536	17,195,578	4,633,954	21,829,532

CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital in a manner which enables it to safeguard its ability to continue as a going concern and to optimise returns to the Shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The funding requirements are met through operating cash flows and other equity. The management monitors the return on capital and the board of directors monitors the level of dividends paid to shareholders of the Company. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 36 : Disclosure pertaining to corporate social responsibility expenses

The company has not applicable provision of Sec. 135 of the Companies Act, 2013 viz. Corporate Social Responsibility.

Note 37 : Disclosure pursuant to Ind AS 116 "Leases"

Operating leases:

- The Company has paid rent for the premises originally taken on lease basis with a Tenancy Right. The Company has filed suit in the Session Court for claiming the tenancy right. In light of claim for tenancy right, in the opinion of management Ind-AS 116 is not applicable to the Company. Gross rental expenses of Rs.Nil/- (Previous Year Rs.1,10,940/-) recognised in the Statement of Profit and Loss.
- The company has acquired property under lease rights from DIC which are subsequent given for sub-lease, the company has not recognized leased assets in the balancesheet as the sub-lease charges are paid in form of tax as per agreement, hence in view of lease hold rights in the opinion of management Ind-AS 116 is not applicable to the Company.
- Contingent rent recognised in the Statement of Profit and Loss: R Nil (previous year: R Nil)
- Lease rentals received for the assets let out on operating lease arrangement for which are cancellable by either party by providing notice as mentioned in the agreement. Lease rental income / License fees of Rs.3,58,83,908/- (P.Y. Rs. 3,95,29,341/-) are recognised as income in the statement of Profit and Loss under the head 'Revenue from operations'.
- The future minimum lease rental income receivable under non-cancellable operating leases in the aggregate and for each of the following periods:

Particulars	2020-21	2019-20
Within 1 year of the balance sheet date	200,000	-
Due in a period between 1 year and 5 year	-	-
Due after 5 years	-	-

Note 38 : Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Financial risk management

The Company being a Core Investment Company as per the Core Investment Companies (RBI) Directions, 2016 is required to invest or lend majority of its fund to subsidiaries. The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inter corporate deposits, loans, cash and cash equivalents and other receivables

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The major risks are summarised below:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates which are measured at amortised cost.

Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities towards inter corporate deposits to subsidiaries, where no significant impact on credit risk has been identified.

Equity price risk

The Company's investment in non-listed equity securities are accounted at cost in the financial statement net of impairment. The expected cash flow from these entities are regularly monitored to identify impairment indicators.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flow of financial assets and financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through issuance of equity shares, commercial paper etc. The Company invests its surplus funds in debt schemes of mutual funds, which carry low mark to market risks."

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 39 : Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

a. Category-wise classification for applicable financial assets and financial liabilities:

Particular's	As at March 31, 2021		As at March 31, 2020	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial Assets				
Cash and cash equivalents	-	26,874,007	-	25,695,055
Bank balances other than above	-	64,602,530	-	37,681,260
Receivables	-	12,586,379	-	6,089,644
Inventory	2,465,690	-	2,692,314	-
Loans	-	946,559	-	1,159,628
Investments	-	3,415,100	-	3,415,100
Other financial assets	-	6,412,710	-	2,889,308
Total financial assets	2,465,690	114,837,286	2,692,314	76,929,995
Financial Liabilities				
Payables	-	518,154	-	792,274
Borrowings (Other than Debt Securities)	-	3,724,109	-	-
Other financial liabilities	4,974,411	1,209,266	4,697,393	390,852
Total financial liabilities	4,974,411	5,451,528	4,697,393	1,183,127

Note:

- No financial assets and liabilities has been measured at fair value through other comprehensive income.
- Carrying amounts of cash and cash equivalents, trade receivables, other payables as at March 31, 2021 and March 31, 2020 approximate the fair value because of their short term nature. The carrying amounts of loans given and borrowings taken for short term are considered to be close to the fair value.
- In the absence of unobservable market for these loan assets, the fair value have been determined from the perspective of the Company's asset considering the changes in performance and risk indicators (including delinquencies and interest rate).

b. Expected credit loss - loans

Loss allowance measured at 12 month expected credit losses:

Financial assets for which credit risk has not increased significantly since initial recognition

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated gross carrying amount at default	946,559	1,159,628
Expected Credit Loss	2,366	13,928,799
Carrying amount net of impairment provision	944,193	(12,769,171)

c. Expected credit loss - receivables

Loss allowance measured at 12 month expected credit losses:

Financial assets for which credit risk has not increased significantly since initial recognition

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated gross carrying amount at default	12,586,379	6,089,644
Expected Credit Loss	629,465	309,213
Carrying amount net of impairment provision	11,956,915	5,780,430

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

d. Accounting for open positions

Position left open on the balance sheet date must be accounted for. Debit/credit balance in the "mark-to-market margin -Equity index futures account", maintained on global basis, represents the net amount paid/received on the basis of movement in the prices of index futures till the balance sheet date. Keeping in view 'prudence' as a consideration for preparation of financial statements, provision for anticipated loss, which may be equivalent to the net payment made to the broker (represented by the debit balance in the "mark-to-market margin - Equity index futures account") should be created by debiting the profit and loss account. Net amount received (represented by credit balance in the "mark-to-market margin -Equity index futures account") being anticipated profit should be ignored and no credit for the same should be taken in the profit and loss account. The debit balance in the said "mark-to-market margin -Equity index futures account", i.e., net payment made to the broker, disclose under the head " Other Receivables" in the balance sheet and the provision created there against should be shown as a deduction therefrom. On the other hand, the credit balance in the said account, i.e., the net amount received from the broker, should be shown as a current liability under the head " Other Current Liabilities" and provisions in the balance sheet".

Particulars	Qty.	Net Profit/(Loss)	Line Item in Balance sheet/Statement of Profit & Loss
As at March 31, 2021			
Nifty Future & Options	1,800	847,777	Item that will be classified as liability in Balance sheet
	-	-58,088	Item Charged to Profit & Loss
As at March 31, 2020			
Nifty Future & Options	-	-	

e. Movement in Mark-to-Market

Particulars	2020-21	2019-20
i. At the Beginning of the Year		
ii. Loss Recognized during the Year	6,506,048	1,568,626
iii. Mark-to-Market Profit eliminated	494,467	-
Mark-to-Market Loss accounted and		
iv. Classified into Profit & Loss	-58,088	
v. At the end of the Year	6,942,427	1,568,626

Note 40 : Disclosure pursuant to Ind AS 108 "Operating Segment"

The company operates mainly in the business segment of investment activity. As such there are no reportable segments as per IND AS 108 on operating segment.

Note 41 : Disclosure pursuant to Ind AS 19 "Employee Benefits":

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered. The company is providing one-month salary of leave encashment in the last month of the respective financial year.

Note 42 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures"

a. Name of the related parties and description of relationship:

Name	Relationship
Mrs. Liza Kothari	Managing Director
Mr. Nitesh Kothari	Director
Mr. Atheva Mayekar	Director
Mr. Manohar Mhatre	Additional Director
Mr. Vivek Mhatre	Director
Ms. Ekta Rathod (Resigned from CFO w.e.f 05/12/2020)	CFO
Ms. Madhu Kadam	Company Secretary
International Health Care Products Limited (IHCP)	Associate
Goldcoin Engineers Private Limited (GEPL)	Associate of IHCP
D Dahyabhai & Co. Privata Limited (DDPL)	Associate of GEPL
Famous Commercial & Leasing Private Limited (FCPL)	Associate of GEPL
Vishal Construction Company Private Limited	Common Directorship
Paras Silk Mills Private Limited	Common Directorship
Spectrum Capital Private Limited	Common Directorship
Steady Mercantile Company Private Limited	Common Directorship
Kaikhuroo Manekji Mehta Stone And Engineering Works Private Limited	Common Directorship

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

b. Related Party Transactions :

Nature of Transaction's/Party Name	As at March 31, 2021	As at March 31, 2020
i. Director Remuneration paid during the year		
Mrs. Liza Kothari	200,000	1,200,000
ii. Salary, Bonus, Incentive & Leave Salary		
Ms. Ekta Rathod	271,365	378,234
Ms. Shefali Tanna	-	113,400
Ms. Madhu Kadam	204,167	97,500
iii. Director Sitting Fees		
Mr. Vivek Mhatre	600	4,800
Mr. Atheva Mayekar	600	4,800
Mr. Jayesh N. Gandhi	-	-
iv. Outstanding at the end of the Year		
Ms. Ekta Rathod	-	53,000
Ms. Madhu Kadam	-	25,000

Note 43 : Contingent liabilities and commitments

a. Particular's	As at March 31, 2021	As at March 31, 2020
Contingent Liabilities		
i. Income Tax Matter's	-	-
The Company has received demands for various years from Income Tax Authorities. In the opinion of the management the Company has discharged all liabilities. The Company is in process of rectifying the demands with the income tax authorities and not expecting any cash outflow on account of such demand.		
ii. Bank Gurantee (details of bank gurantee)	513,234	796,525

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

b. Movement in Contingent Provision against Standard Assets during the year is as under:

Particular's	As at March 31, 2021	As at March 31, 2020
Opening Balance	2,899	142,635
Addition's/(Deduction) during the Year	(533)	(139,736)
Closing Balance	2,366	2,899

c. Movement in Contingent Provision against Sub-Standard Assets during the year is as under:

Particular's	As at March 31, 2021	As at March 31, 2020
Opening Balance	13,925,900	-
Addition's/(Deduction) during the Year	(13,925,900)	13,925,900
Closing Balance	-	13,925,900

Note 44 : Contribution to political parties during the year 2020-21 is Rs. Nil (previous year Rs. Nil).

Note 45 : There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2021.

Note 46 : Events after the reporting period

- The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.
- Impact on Lease receivables :
The lease receivables since the implementation of the lockdowns have been delayed beyond the stipulated time. The management of the company has been communicating with the lessee and in their view they are confident that the lease receivables will be recovered in full and no-provision is required in the financials for the outstanding lease rentals.
- Impact on Loan arrangements :
The RBI has released a Master Circular: RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 Dated : March 27, 2020, COVID -19 Regulatory package, where the RBI are permitted to grant a moratorium of three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020 and rescheduling the payment of Term Loans & Working Capital facilities.
A unsecured loan arrangement facility provided by the company to one of its borrower i.e. Renaissance Urban Infra Private Limited has been classified as Sub-standard as on March 31, 2020. During the year the company has an fresh negotiation with the said party and the Loan arrangements has been classified as Capital Advances against Commercial Property which are due for completion and allot in coming year.
The management of the company has reclassified the loan into capital advances against the property in the favour of the company converting the loan facility into contract allotting the property unit under development. Accordingly, the interest accrued for the August 2020 to March 2020, as per settlement are accounted as accrued interest in FY 2021-22 as prior period interest and taxes thereon are charged directly to Reserve & Surplus (**Refer Note 20**).
- Voluntary delisting of equity shares from the
Pursuant to the approval of the Board of Directors of the Company at its meeting held on 14th January, 2020, the Company had filed an application for voluntary delisting of its equity shares from the BSE on 17th February, 2020 under Chapter VII (Special Provisions for Small Companies) of regulation 27 of the Delisting Regulation which was approved by BSE vide its Notice No. 20200605-38 dated 5th June, 2020, pursuant to which the trading in the equity shares of Kothari World Finance Limited (Scrip Code: 511138) is discontinued w.e.f. Friday June 12, 2020. Further the Scrip Code: 511138 is delisted from the BSE records w.e.f. Friday June 19, 2020.
In this regard, the Company has made necessary disclosures required under SEBI Delisting Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the stock exchanges.
- There have been no other events after the reporting date that require disclosure in the financial statements.

Note 47 : The Company has obtained the Certificate of Registration from the RBI as a Non-Banking Financial Institution - Investment Company on March 09, 1998 under Section 45-IA of the Reserve Bank of India Act, 1934.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 48 : Particular's as per RBI direction's for NBFC

Schedule to the Balance sheet Master Direction vide RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated March 13, 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	946,559	2,366	944,193	2,366	-
	Stage 2	-	-	-	-	-
Subtotal		946,559	2,366	944,193	2,366	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	946,559	2,366	944,193	2,366	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	946,559	2,366	944,193	2,366	-

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Standalone Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 49 : Particular's as per RBI direction's for NBFC

Schedule to the Balance sheet of a non-deposit taking non-banking financial company as required in terms of paragraph 18 of Master Direction Non Banking Finance Company- Non Systematically Important Non Deposit taking Company vide Master Direction DNBR.PD.007/03. 10.119/2016-17 dated September 1, 2016

Particular's		Amount Outstanding	Amount Overdue	
1 Liabilities Side				
Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :				
a.	Debentures : Secured Unsecured (Other than falling within the meaning of public deposits)	- -	- -	
b.	Deferred Credits	-	-	
c.	Term Loans	-	-	
d.	Inter-Corporate Loans & Borrowing	-	-	
e.	Commercial Paper	-	-	
f.	Public deposits	-	-	
g.	Other Loans (Specify Nature)	-	-	
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid :				
a.	In the form of Un-secured debentures	-	-	
b.	In the form of partly secured debentures I.e. debentures where there is a shortfall in the value of the security	-	-	
c.	Other public deposit's	-	-	
Particular's		Amount Outstanding		
Assets Side				
Break-up of Loans and Advances including bills receivables (other than those Included in (4) below)				
a.	Secured	946,559		
b.	Unsecured	12,586,379		
4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities				
a.	Leased assets including lease rentals undar sundry debtors :			
i.	Financial Lease	-		
ii.	Operating Lease	-		
b.	Stock on hire including hire charges under sundry debtors :			
i.	Assets on hire	-		
ii.	Repossessed Assets	-		
c.	Other loans counting towards AFC activities			
i.	Loans where the assets have been repossessed	-		
ii.	Loans other than (a) above	-		
5 Break-up of Investments :				
Investments				
A.	Quoted :			
I.	Shares : i. Equity* ii. Preference	2,700,000		
II.	Debenture & Bonds			
III.	Units of mutual funds			
IV.	Government Securities			
V.	Others (please specify) * (disclosed at Cost without considering Provision for diminution in value of investments of Rs.27,00,000)			
B.	Unquoted :			
I.	Shares : i. Equity* ii. Preference	3,513,537		
II.	Debenture & Bonds			
III.	Units of mutual funds			
IV.	Government Securities			
V.	Others (please specify) i. Immovable Property** * (disclosed at Cost without considering Provision for diminution in value of investments of Rs.98,437/-) ** (disclosed at Gross Value without considering amortization on investments of Rs. 3,30,81,058/-)	129,835,367		
6 Borrower group-wise classification of assets financed as in (3) and (4) above :				
Please - Note 2 below				
Category		Amount net of Provisions		
		Secured	Unsecured	Total
I.	Related Parties			
a.	Subsidiaries	-	-	-
b.	Companies in the same group	-	-	-
c.	Other related parties	-	-	-
II.	Other than Related Parties	946,559	12,586,379	13,532,939
Total		946,559	12,586,379	13,532,939

7	Investor group-wise calculations of all investment (current and longterm) in shares and securities (both quoted and unquoted) :		
A.	Category	Market Value/Breakup or fair value or NAV	Book Value (Net of Provisions)
I.	Related Parties **		
a.	Subsidiaries	-	-
b.	Companies in the same group	3,415,100	3,415,100
c.	Other related parties	-	-
II.	Other than Related Parties	2,798,437	-
	Total	6,213,537	3,415,100
	** As per Accounting Standard of ICAI		
B.	Other Informations		
	Particulars		Amount
i.	Gross Non-Performing Assets		
a.	Related Parties		-
b.	Other than related parties		-
ii.	Non-Performing Assets		
a.	Related Parties		-
b.	Other than related parties		-
iii.	Assets acquired in satisfaction of debt		-

Notes :

- 1 As defined in point xix of paragraph 3 of Chapter-2 of these directions.
- 2 Provisioning norms shall be applicable as prescribed in these directions.

Note 50 : Previous year previous GAAP figures have been regrouped / reclassified to make them comparable with IND AS presentation.

Note 51 : Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021 i.e. for FY 2021-22. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

A. Balance sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc

B. Profit and Loss

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Note 52 : The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

For V K Beswal & Associates

Chartered Accountants
ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

Sd/-
CA Nishit S Agrawal
Partner
Membership No : 159882

Sd/-
Liza Kothari
Managing Director
DIN No.: 01273272

Sd/-
Nitesh Kothari
Director
DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

INDEPENDENT AUDITOR'S REPORT

To the members of
Kothari World Finance Limited,

Report on the Consolidated Ind AS Financial Statements**1. Opinion**

We have audited the accompanying consolidated Ind AS financial statements of **Kothari World Finance Limited** (herein referred to as “the Holding Company”) and share of profits in its associates as mentioned in Annexure I (the holding company and share of profits in its associates together referred to as “the Group”), comprising of the consolidated Balance Sheet as at March 31, 2021, the consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the consolidated statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as the consolidated Ind AS financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (‘the Act’) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (‘ICAI’), and we have fulfilled our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. There are no key audit matters to be communicated in our report

4. Information Other than the Consolidated IND AS Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report, Report on Corporate governance and Management Discussion and Analysis, but does not include the financial statements and our auditor's report thereon.

The Directors' Report, Report on Corporate governance and Management Discussion and Analysis is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's Report, Report on Corporate governance and Management Discussion and Analysis, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and describe actions applicable in the applicable laws and regulations.

5. Management's Responsibility for the Consolidated IND AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Ind AS financial statements in terms of the requirements of the companies Act, 2013 (herein referred to as "the act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income and consolidated cash flows and changes in equity of the group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act, read with the rule 7 of the companies (accounts) rules, 2014. The respective board of directors of the companies included in the group 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for insuring 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 has been used for the purpose of preparation of the Ind AS consolidated financial statements by the Board of directors of the holding company, as aforesaid.

The Respective Board of Directors of the Holding Company and its associate companies are also responsible for overseeing the financial reporting process of the Holding Company and its associate.

6. Auditor's Responsibilities for the Audit of Consolidated IND AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order of design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Holding Company and its associate companies to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Holding Company and its associate companies to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and event in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Holding Company and its associate companies to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

7. Other Matters

The consolidated financial results also include the Holding Company's share of profit after tax of Rs.22,78,173/- for the year ended March 31, 2021, as considered in the consolidated financial statement, in respect of an associate company, whose financial information have been audited by us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matter.

8. Report on Other Legal and Regulatory Requirements

A. 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 purpose of our audit of the aforesaid consolidated Ind AS financial statements;
- b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), and the Consolidated Cash Flow Statement and the consolidated statement of changes in equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

KOTHARI WORLD FINANCE LIMITED

- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) rules, 2014 as amended;
 - e) On the basis of written representations received from the directors of the Holding Company as on March 31, 2021, and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021, 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 report dated 23/07/2021 in "Annexure II", which is based on the auditor's report of the associate companies incorporated in India.
- B.** 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) Amendment Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us;
- i) There were no pending litigations which would impact the consolidated financial position of the Group.
 - ii) The Group did not have any material, foreseeable losses on long-term contracts including derivative contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
- C.** With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
- In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us.

For V K Beswal & Associates
 Chartered Accountants
 Firm Registration No 101083W

Sd/-
CA Nishit S. Agrawal
 Partner
 M No-159882
 UDIN No. : 21159882AAAAEK6649

Place: Mumbai
 Date: July 23, 2021

Annexure II to the Consolidated IND AS Independent Auditor's Report

Sr. No.	Name of the Company	Nature of the Relationship
1.	International Health Care Products Limited (IHCPL)	Associate
2.	Goldcoin Engineer Private Limited (GEPL)	Associate of IHCPL
3.	D Dahyabhai & Co Private Limited	Associate of GEPL
4.	Famous Commercial & Leasing Private Limited	Associate of GEPL

Annexure II to the Consolidated IND AS Independent Auditor's Report**Independent Auditor's report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

1. In conjunction with our audit of the consolidated Ind AS financial statements of **Kothari World Finance Limited** ("the Holding Company") and its associates companies (the holding company and its associates together referred to as "the Group"), as of and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting (IFCoFR) of the holding company and its associates companies incorporated in India as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its associates companies, which are the companies incorporated in India are responsible for establishing and maintaining internal financial controls based on the criteria being specified by management. 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 the company's 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Group's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India (ICAI) and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI. 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 IFCoFR were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, 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.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles including the Ind AS. A company's IFCoFR 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 standalone Ind AS financial statements in accordance with generally accepted accounting principles including Ind AS, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of IFCoFR, 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 IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its associate companies, which are companies incorporated in India, have, 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, 2021, based on the internal control over financial reporting criteria established by the respective companies 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 V K Beswal & Associates

Chartered Accountants

Firm Registration No 101083W

Sd/-

CA Nishit S. Agrawal

Partner

M No-159882

UDIN No. : 21159882AAAAEK6649

Place: Mumbai

Date: July 23, 2021

KOTHARI WORLD FINANCE LIMITED
Consolidated Balance Sheet as on March 31, 2021
(Currency: Amount in Rupees)

Particulars	Note Nos.	As at 31-03-21	As at 31-03-20
ASSETS			
1 Financial Assets			
(a) Cash and cash equivalents	2	26,874,007	25,695,055
(b) Bank balances other than cash and cash equivalents	3	64,602,530	37,681,260
(c) Receivables	4		
Trade receivables		4,833,968	2,504,069
Other receivables		7,752,411	3,585,575
(d) Inventory	5	2,465,690	2,692,314
(e) Loans	6	946,559	56,862,847
(f) Investments	7	18,304,528	16,026,355
(g) Other financial assets	8	6,412,710	2,889,308
Total financial assets		132,192,404	147,936,782
2 Non-Financial Assets			
(a) Current tax assets (Net)	9	2,286,788	2,049,363
(b) Deferred tax assets (Net)	10	-	3,508,281
(c) Investment Property	11	96,754,309	106,761,429
(d) Property, plant and equipment	12(i)	4,040,707	106,001
(e) Other intangible assets	12(ii)	31,602	58,628
(f) Other non-financial assets	13	57,304,473	1,469,180
Total non-financial assets		160,417,879	113,952,881
TOTAL ASSETS		292,610,283	261,889,662
LIABILITIES AND EQUITY			
3 Financial Liabilities			
(a) Payables	14		
i) Trade Payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
ii) Other payables			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		518,154	792,274
(b) Borrowings (Other than Debt Securities)	15	3,724,109	-
(c) Other financial liabilities	16	6,183,677	5,088,245
Total financial liabilities		10,425,939	5,880,520
4 Non-Financial Liabilities			
(a) Current tax liabilities (net)	17	-	-
(b) Deferred tax liabilities	10	14,766	-
(c) Provisions	18	1,831,831	15,438,012
(d) Other non-financial liabilities	19	-	511,000
Total non-financial liabilities		1,846,597	15,949,012
5 Equity			
(a) Equity share capital	20	74,375,000	74,375,000
(b) Other equity	21	205,962,747	165,685,130
Total equity		280,337,747	240,060,130
TOTAL LIABILITIES AND EQUITY		292,610,283	261,889,662

Significant accounting policies

See accompanying notes forming part of the financial statements

'1

'2-53

As per our attached report of even date

For V K Beswal & Associates
Chartered Accountants
ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

Sd/-
CA Nishit S Agrawal
Partner
Membership No : 159882

Sd/-
Liza Kothari
Managing Director
DIN No.: 01273272

Sd/-
Nitesh Kothari
Director
DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

KOTHARI WORLD FINANCE LIMITED
Statement of Consolidated Profit and Loss for year ended March 31, 2021

(Currency: Amount in Rupees)

Particulars	Note Nos.	2020-21	2019-20
Revenue from operations			
Interest income	22	5,056,125	6,051,266
Rental income	23	35,883,908	39,529,341
Net gain on fair value changes	24	13,858,423	1,263,135
Sale of shares	25	6,234,842	-
Trading in Future & Options (net Gain/Loss)	26	-	-
Dividend Income	27	21,038	96,408
Total revenue from operations		61,054,336	46,940,150
Other income	28	920,727	241,770
Total income		61,975,062	47,181,921
Expenses			
Purchase of stock in trade	29	887,905	500,496
Changes in inventories of stock in trade	30	226,623	5,047,695
Trading in Future & Options (net)	26	6,942,427	1,568,626
Employee benefits expenses	31	2,487,030	3,327,368
Depreciation and amortization expenses	32	3,013,677	2,879,469
Finance Costs	33	553,092	577,756
Other expenses	34	3,812,892	17,766,801
Total expenses		17,923,645	31,668,211
Profit before tax		44,051,417	15,513,710
Tax expense:			
Current tax		5,614,400	5,166,600
Deferred tax (credit)/charge		3,523,047	(3,466,777)
Income tax for earlier year		-	(153,733)
Total tax expense		9,137,447	1,546,089
Profit for the year		34,913,970	13,967,621
Share in Profit of associates		2,278,173	2,477,860
		37,192,143	16,445,481
Other comprehensive income (OCI)			
Items that will not be reclassified to profit or loss:			
Remeasurement gains/(losses) on defined benefit plans		-	-
Tax impact on above		-	-
Items that will be reclassified to profit or loss in subsequent periods:			
Changes in fair value of fair value through OCI (FVOCI) debt securities		-	-
Tax impact on above		-	-
Other comprehensive income for the year (net of tax)		-	-
Total comprehensive income for the year		37,192,143	16,445,481
Earnings Per Share (Basic and Diluted) (in Rs.)	35	5.00	2.21

Significant accounting policies

See accompanying notes forming part of the financial statements

'1

'2-52

As per our attached report of even date

For V K Beswal & Associates

Chartered Accountants

ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

Sd/-

CA Nishit S Agrawal

Partner

Membership No : 159882

Sd/-

Liza Kothari

Managing Director

DIN No.: 01273272

Sd/-

Nitesh Kothari

Director

DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

KOTHARI WORLD FINANCE LIMITED
Consolidated Cash Flow Statement For The Year Ended March 31, 2021
(Currency: Amount in Rupees)

Particulars	2020-21	2019-20
A. Cash flow from operating activities:		
Net Profit before Tax	44,051,417	15,513,710
Adjustments for:		
Depreciation	3,013,677	2,879,469
Provision for diminution in value of investment	-	-
Provision for ECL & Fair Value Changes	(13,858,423)	(1,263,135)
Interest on Income Tax Refund	-	(41,590)
Profit on sale of Investment	(920,727)	-
Finance Costs	553,092	577,756
Contingent Provisions against Standard Assets	-	(139,736)
Contingent Provisions against sub-Standard Assets	-	13,925,900
Provision for Expected credit loss	320,251	220,950
Prior Period Income	4,122,801	-
Dividend Income on Investments	(21,038)	(96,408)
Operating profit before working capital changes	37,261,050	31,576,916
Adjustments for:		
Increase/(Decrease) in payables	(274,120)	191,840
Increase/(Decrease) in long-term provisions	-	-
Increase/(Decrease) in other financial liabilities	618,414	70,690
Increase/(Decrease) in other non-financial liabilities	(511,000)	464,354
(Increase)/Decrease in inventories	226,623	5,047,695
(Increase)/Decrease in other financial assets	(3,523,402)	(1,045,626)
(Increase)/Decrease in other non-financial assets	(55,835,293)	155,382
(Increase)/Decrease in loans	55,916,288	191,120
(Increase)/Decrease in other bank balances	(26,921,271)	(15,425,067)
(Increase)/Decrease in receivables	(6,496,736)	(4,637,732)
Cash generated from operations	460,553	16,589,574
Direct taxes refund / (paid) (Net)	(6,889,154)	(6,500,973)
Net cash Generated from operating activities	A (6,428,601)	10,088,601
B. Cash flow from investing activities:		
Purchase of Property, Plant & Equipments	(4,270,329)	(135,131)
Purchase of Investment	(83,182)	-
Proceeds from sale of fixed assets	-	-
Proceeds from sale of Investment	8,360,000	-
Interest on Income Tax Refund	-	41,590
Non current investments	-	-
Dividend income from investment	21,038	96,408
Net cash generated from (used in) investing activities	B 4,027,527	2,867
C. Cash flow from Financing activities:		
Proceeds (Repayment) of unsecured loans from borrowings (Net)	3,724,109	-
Finance Cost	(144,084)	-
Equity Shares issued	-	-
Share Premium	-	-
Share money received	-	-
Dividend including dividend distribution tax	-	-
Net cash inflow / (outflow) from financing activities	C 3,580,025	-
D. Net Increase / (Decrease) in cash and cash equivalents	1,178,951	10,091,468
E. Cash and cash equivalents at the beginning of the year	25,695,055	15,603,587
F. Cash and cash equivalents at the end of the year	26,874,007	25,695,055

Components of cash and cash equivalents

Particulars	As at 31-03-21	As at 31-03-20
Balance with Banks		
- in Current Accounts	364,725	949,097
- in Fixed Deposits (with original maturity period not more than 3 months)	26,507,438	24,650,000
Cash on hand	1,844	95,958
Total cash and cash equivalents at the end of the year	26,874,007	25,695,055

Notes:

- Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows" as specified in the Companies (Indian Accounting Standards) Rules, 2015.
- Previous years figures are regrouped / recasted wherever necessary.

Significant accounting policies '1
See accompanying notes forming part of the financial statements '2-52

As per our attached report of even date

For V K Beswal & Associates
Chartered Accountants
ICAI Firm Registration No.: 131308W

Sd/-
CA Nishit S Agrawal
Partner
Membership No : 159882

Mumbai: Dtd. : 23-07-2021

For and on Behalf of Board of Directors

Sd/-
Liza Kothari
Managing Director
DIN No.: 01273272

Sd/-
Nitesh Kothari
Director
DIN No.: 00024195

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Consolidated Statement of Changes in Equity as on March 31, 2021

(Currency: Amount in Rupees)

Statement of changes in equity

A	Equity share capital	Note No.	Number	Amount
	Balance as at April 1, 2019	20	7,437,500	74,375,000
	Changes in Equity Share Capital during the year			-
	Balance as at 31 March 2020			74,375,000
	Changes in Equity Share Capital during the year			-
	Balance as at 31 March 2021			74,375,000

B Other equity

For the year ended March 31, 2021

	Reserves and surplus					Other Comprehensive Income		Total other equity
	Securities premium account	Employee stock options outstanding account	Statutory reserve fund	General reserve	Retained earnings- other than remeasurement of post employment benefit obligations	Capital Reserve	Retained earnings-remeasurement of post employment benefit obligations	Other comprehensive income on debt securities
Balance as at April 1, 2019	37,345,000	-	20,871,000	100,000	79,738,814	11,185,000	-	-
Profit for the year	-	-	-	-	16,445,316	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	37,345,000	-	20,871,000	100,000	96,184,130	11,185,000	-	-
Transfer to reserve fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	3,289,063	-	(3,289,063)	-	-	-
Premium on issue of shares	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	37,345,000	-	24,160,063	100,000	92,895,067	11,185,000	-	-
Balance as at April 1, 2020	37,345,000	-	24,160,063	100,000	92,895,067	11,185,000	-	-
Profit for the year	-	-	-	-	37,192,143	-	-	-
Other Comprehensive Income	-	-	-	-	-	-	-	-
Total Comprehensive Income for the year	37,345,000	-	24,160,063	100,000	130,087,210	11,185,000	-	-
Transfer to reserve fund U/S 45-IC (1) Of Reserve Bank Of India Act, 1934	-	-	7,599,889	-	(7,599,889)	-	-	-
Prior Period Rentals & Interest Income	-	-	-	-	4,122,801	-	-	-
Tax Expenses related to Prior Period Rentals & Interest Income	-	-	-	-	(1,037,328)	-	-	-
Premium on issue of shares	-	-	-	-	-	-	-	-
Share based payment	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	37,345,000	-	31,759,952	100,000	125,572,795	11,185,000	-	-

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

As per our attached report of even date

For V K Beswal & Associates

Chartered Accountants

ICAI Firm Registration No.: 131308W

For and on Behalf of Board of Directors

Sd/-

CA Nishit S Agrawal

Partner

Membership No : 159882

Sd/-

Liza Kothari

Managing Director

DIN No.: 01273272

Sd/-

Nitesh Kothari

Director

DIN No.: 00024195

Mumbai: Dtd.: 23-07-2021

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Consolidated Statement of Changes in Equity as on March 31, 2021

(Currency: Amount in Rupees)

Notes Forming Part of the Financial Statements

Brief Profile

Kothari World Finance Limited ('the Company') is a Public Company incorporated under the provisions of the Companies Act, 1956 on January 5, 1985 and registered as a Non-Banking Finance Company (NBFC) under section 45-IA of the Reserve Bank of India Act, 1934. The Company is engaged in the business of Lending & Investment Activities.

1 Significant Accounting Policies :

1.1 Statement of compliance:

The financial statements have been prepared in accordance with the provisions of the Companies Act, 2013 and the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) issued by Ministry of Corporate Affairs in exercise of the powers conferred by section 133 read with sub-section (1) of section 210A of the Companies Act, 2013. In addition, the guidance notes/announcements issued by the Institute of Chartered Accountants of India (ICAI) are also applied along with compliance with other statutory promulgations require a different treatment.

1.2 Basis of preparation:

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value

measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- i. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at reporting date
- ii. Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- iii. Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

1.3 Presentation of financial statements:

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III to Schedule III to the Companies Act, 2013 ("the Act") applicable for Non-Banking Finance Companies ("NBFC"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Use of Estimates:

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Estimation of uncertainties relating to the global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the amounts of revenue, investment in subsidiaries & Investment in Financial Assets. In developing the assumptions relating to the impact of possible future uncertainties in global economic conditions because of this pandemic, the Company, as at the date of approval of these financial results has used internal and external sources of information including economic forecasts. The Company has also assessed the impact of this whole situation on its capital and financial resources, profitability, liquidity position, internal financial controls etc. and is of the view that based on its present assessment this situation does not materially impact this financial result. However, the impact assessment of COVID-19 is a continuing process, given the uncertainties associated with its nature & duration. The company will continue to monitor any material changes to future economic condition.

1.4 Basis of consolidation:

The consolidated financial statements incorporate financial statement of Kothari World Finance Limited and the entities controlled by the Holding Company. Associates are entities over which the Holding Company has significant influence but no control or joint control. This is generally the case where the Holding Company holds between 20% to 50% of the voting rights. Financial information of the following Associates are included in consolidation:

	Name of the Company	Country of Incorporation	Proportion of Ownership Interest	
			As on 31-03-2021	As on 31-03-2020
1	International Health Care Products Limited (IHCPL)	India	26.11%	26.11%
2	Goldcoin Engineers Private Limited (GEPL)	India	IHCPL holding in GEPL is 39.60%	
3	D Dahyabhai & Company Private Limited (DDPL)	India	GEPL holdings in DDPL is 45.24%	
4	Famous Commercial & Leasing Private Limited	India	GEPL holdings in FCLPL is 25.74%	

The consolidated financial statements have been prepared on the following basis:

The financial statements of the associate used in consolidation are drawn upto the same reporting date as that of the Holding Company.

1.5 Investments in associates:

An Associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using equity method of accounting. Under the equity method, an investment in associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of profit or loss and other comprehensive income of the associate. Distributions received from an associate reduce the carrying amount of the investment. When the Group's share of losses of an associate exceeds the Group's interest in that associate, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

The carrying amount of investment in associates is reduced to recognize impairment, if any, when there is objective evidence of impairment.

1.6 Revenue recognition:

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery. Revenue is measured at the fair value of the consideration received or receivable as reduced for estimated customer credits and other similar allowances.

i. Interest and dividend income:

Interest income is recognised in the Statement of Profit and Loss and for all financial instruments except for those classified as held for trading or those measured or designated as at fair value through profit or loss (FVTPL) is measured using the effective interest method (EIR).

The calculation of the EIR includes all fees and points paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at FVTPL transaction costs are recognised in profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance). For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortised cost of the credit-impaired financial assets (i.e. the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Dividend income is recognised when the Company's right to receive dividend is established by the reporting date and no significant uncertainty as to collectability exists.

ii. Fee and commission income:

Fee and commission income and expense include fees other than those that are an integral part of EIR. The fees included in the Company statement of profit and loss include among other things fees charged for servicing a loan, non-utilisation fees relating to loan commitments when it is unlikely that these will result in a specific lending arrangement and loan advisory fees.

Fee and commission expenses with regards to services are accounted for as the services are received.

iii. Rental Income :

Income from operating leases is recognised in the Statement of profit and loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased asset is diminished.

iv. Net gain or fair value change:

Any differences between the fair values of the financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss in the statement of profit and loss. In cases there is a net gain in aggregate, the same is recognised in "Net gains or fair value changes" under revenue from operations and if there is a net loss the same is disclosed "Expenses", in the statement of profit and loss.

KOTHARI WORLD FINANCE LIMITED

v. **Income from financial instruments at FVTPL:**

Income from financial instruments at FVTPL includes all gains and losses from changes in the fair value of financial assets and financial liabilities at FVTPL except those that are held for trading.

vi. **Other operational revenue:**

Other operational revenue represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

1.7 **Property, plant and equipment (PPE):**

- i. PPE is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes all direct cost related to the acquisition of PPE and, for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy.
- ii. For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of PPE measured as per Previous GAAP less accumulated depreciation and cumulative impairment on the transition date of April 1, 2017. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.
- iii. Land and buildings held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.
- iv. PPE not ready for the intended use on the date of the Balance Sheet are disclosed as "capital work-in-progress".
- v. Depreciation is recognised using straight line method so as to write off the cost of the assets (other than freehold land) less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in case of assets where the useful life was determined by technical evaluation, over the useful life so determined. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life and residual values are also reviewed at each financial year end with the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis.
- vi. Depreciation for additions to/deductions from, owned assets is calculated pro rata to the period of use. Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.
- vii. Assets held under finance leases are depreciated over the shorter of lease term and their useful life on the same basis as owned assets. However, when there is no reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013 or based on the useful life adopted by the Company for similar assets.
- viii. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

1.8 **Intangible assets:**

- i. Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Direct expenses and administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.
- ii. Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".
- iii. Intangible assets are amortised on straight line basis over the estimated useful life. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.
- iv. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset are recognised in profit or loss when the asset is derecognised.

1.9 **Investment property:**

- i. Investment properties are properties (including those under construction) held to earn rentals and/ or capital appreciation are classified as investment property and are measured and reported at cost, including transaction costs.
- ii. For transition to Ind AS, the group has elected to adopt as deemed cost, the carrying value of investment property as per Previous GAAP less accumulated depreciation and cumulative impairment on the transition date of April 01, 2018. In respect of revalued assets, the value as determined by valuers as reduced by accumulated depreciation and cumulative impairment is taken as cost on transition date.
- iii. Depreciation is recognised using straight line method so as to write off the cost of the investment property less their residual values over their useful lives specified in Schedule II to the Companies Act, 2013, or in the case of assets where the useful life was determined by technical evaluation, over the useful life so determined.

KOTHARI WORLD FINANCE LIMITED

- iv. Depreciation method is reviewed at each financial year end to reflect the expected pattern of consumption of the future benefits embodied in the investment property. The estimated useful life and residual values are also reviewed at each financial year end and the effect of any change in the estimates of useful life/ residual value is accounted on prospective basis. Freehold land and properties under construction are not depreciated.
- v. An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on de-recognition of property is recognised in the Statement of Profit and Loss in the same period.

1.10 Impairment of tangible and intangible assets other than goodwill

- i. As at the end of each accounting year, the Company reviews the carrying amounts of its PPE and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any. Goodwill and the intangible assets with indefinite life are tested for impairment each year.
- ii. Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:
 - a. in the case of an individual asset, at the higher of the net selling price and the value in use; and
 - b. in the case of a cash generating unit (the smallest identifiable Company of assets that generates independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.
- iii. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pretax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted
- iv. If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.
- v. When an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit), except for allocated goodwill, is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

1.11 Employee benefits:

i. Short term employee benefits:

- a) Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits and are expensed in the period in which the employee renders the related service. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

ii. Post-employment benefits:

- a) Defined contribution plans: The Company's superannuation scheme, state governed provident fund scheme, employee state insurance scheme and employee pension scheme are defined contribution plans. The contribution paid/ payable under the schemes is recognised during the period in which the employee renders the related service
- b) Defined benefit plans: The employees' gratuity fund schemes and employee provident fund schemes managed by board of trustees established by the Company, the post-retirement medical care plan and the Parent Company pension plan represent defined benefit plans. The present value of the obligation under defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method.
- c) The obligation is measured at the present value of the estimated future cash flows using a discount rate based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the defined benefit obligations at the Balance Sheet date.
- d) Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding amounts included in net interest on the net defined benefit liability or asset) and any change in the effect of asset ceiling (if applicable) is recognised in other comprehensive income and is reflected in retained earnings and the same is not eligible to be reclassified to profit or loss.
- e) Defined benefit costs comprising current service cost, past service cost and gains or losses on settlements are recognised in the Statement of Profit and Loss as employee benefit expenses. Interest cost implicit in defined benefit employee cost is recognised in the Statement of Profit and Loss under finance cost. Gains or losses on settlement of any defined benefit plan are recognised when the settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.
- f) In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

iii. Long term employee benefits:

KOTHARI WORLD FINANCE LIMITED

- a) The obligation recognised in respect of long term benefits such as long term compensated absences is measured at present value of estimated future cash flows expected to be made by the Company and is recognised in a similar manner as in the case of defined benefit plans vide (ii) (b) above.

iv. Termination benefits:

- a) Termination benefits such as compensation under employee separation schemes are recognised as expense when the Company's offer of the termination benefit is accepted or when the Company recognises the related restructuring costs whichever is earlier.

1.12 Leases:

The Company determines whether an arrangement contains a lease by assessing whether the fulfilment of a transaction is dependent on the use of a specific asset and whether the transaction conveys the right to control the use of that asset to the Company in return for payment.

i. The Company as lessee

The Company accounts for each lease component within the contract as a lease separately from nonlease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception comprises of the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date.

Certain lease arrangements include options to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that such options would be exercised.

The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from

the commencement date over the shorter of lease term or useful life of right-of-use asset. Assets given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

Lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications. The Company recognises the amount of the re-measurement of lease liability as an adjustment to the right-of-use asset. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

Variable lease payments not included in the measurement of the lease liabilities are expensed to the statement of profit and loss in the period in which the events or conditions which trigger those payments occur.

In a sale and lease back transaction, the Company measures right-of-use asset arising from the leaseback as the proportion of the previous carrying amount of the asset that relates to the right-of-use retained. The gain or loss that the company recognises in the statement of profit and loss is limited to the proportion of the total gain or loss that relates to the rights transferred to the buyer.

ii. The Company as lessor

- a. **Operating lease** – Rental income from operating leases is recognised in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value of the leased asset and recognised on a straight-line basis over the lease term.

- b. **Finance lease** – When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

1.13 Financial instruments:

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

KOTHARI WORLD FINANCE LIMITED

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognised amounts and it is intended to either settle on net basis or to realise the asset and settle the liability simultaneously.

I. Financial assets

a. Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b. Financial assets at fair value through other comprehensive income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to sole payments of principal and interest on the principal amount outstanding and by selling financial assets.

c. Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the asset and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost, its contractual terms should give rise to cash flows that are solely payments of principal and interest on the principal outstanding (SPPI).

For an asset to be classified and measured at FVTOCI, the asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and the contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company has more than one business model for managing its financial instruments which reflect how the Company manages its financial assets in order to generate cash flows. The Company's business models determine whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Company considers all relevant information available when making the business model assessment. However this assessment is not performed on the basis of scenarios that the Company does not reasonably expect to occur, such as so-called 'worst case' or 'stress case' scenarios. The Company takes into account all relevant evidence available such as:

- i. how the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- ii. the risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way in which those risks are managed; and
- iii. how managers of the business are compensated (e.g. whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The Company reassess its business models each reporting period to determine whether the business models have changed since the preceding period. For the current and prior reporting period the Company has not identified a change in its business models.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

d. Financial assets at fair value through profit or loss (FVTPL)

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit or loss.

e. De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily de-recognised when:

- i. The rights to receive cash flows from the asset have expired, or
- ii. The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and
- iii. either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

II. Financial liabilities

- a. Financial liabilities, including derivatives, which are designated for measurement at FVTPL are subsequently measured at fair value. Financial guarantee contracts are subsequently measured at the amount of impairment loss allowance or the amount recognised at inception net of cumulative amortisation, whichever is higher.

All other financial liabilities including loans and borrowings are measured at amortised cost using Effective Interest Rate (EIR) method.

- b. A financial liability is derecognised when the related obligation expires or is discharged or cancelled.

KOTHARI WORLD FINANCE LIMITED

1.14 Write off:

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

1.15 Impairment:

The Company recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- i. Loans and advances to customers;
- ii. Debt investment securities;
- iii. Trade and other receivable;
- iv. Lease receivables;
- v. Irrevocable loan commitments issued; and
- vi. Financial guarantee contracts issued.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit impairment includes observable data about the following events:

- i. significant financial difficulty of the borrower or issuer;
- ii. a breach of contract such as a default or past due event;
- iii. the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- iv. the disappearance of an active market for a security because of financial difficulties; or
- v. the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Company assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Company considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikelihood to pay indicators and a back-stop if amounts are overdue for 90 days or more.

Significant increase in credit risk

The Company monitors all financial assets and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Company will measure the loss allowance based on lifetime rather than 12-month ECL.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Company's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the Probability of Default will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

As a back-stop when loan asset not being a corporate loans becomes 30 days past due, the Company considers that a significant increase in credit risk has occurred and the asset is in stage 2 of the impairment model, i.e. the loss allowance is measured as the lifetime ECL in respect of all retail assets. In respect of the corporate loan assets, shifting to Stage 2 has been rebutted using historical evidence from own portfolio to a threshold of 60 days past due, which is reviewed annually.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Company recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in profit or loss. A favourable change for such assets creates an impairment gain.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Company considers the following as constituting an event of default:

KOTHARI WORLD FINANCE LIMITED

- i. the borrower is past due more than 90 days on any material credit obligation to the Company; or
- ii. the borrower is unlikely to pay its credit obligations to the Company in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Law Tribunal, which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Company uses a variety of sources of information to assess default which are either developed internally or obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- i. 12-month ECL, i.e. lifetime ECL that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- ii. full lifetime ECL, i.e. lifetime ECL that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently to credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Company under the contract and the cash flows that the Company expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- i. for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Company expects to receive from the holder, the debtor or any other party.

The Company measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics.

1.16 Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Company renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Company assesses whether this modification results in derecognition. In accordance with the Company's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Company considers the following:

- i. Qualitative factors, such as contractual cash flows after modification are no longer SPPI,
- ii. Change in currency or change of counterparty,
- iii. The extent of change in interest rates, maturity, covenants.

If these do not clearly indicate a substantial modification, then;

- a. In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Company monitors credit risk of modified financial assets by evaluating qualitative and quantitative information, such as if the borrower is in past due status under the new terms.
- b. When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Company determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:
 - i. the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
 - ii. the remaining lifetime PD at the reporting date based on the modified terms.

KOTHARI WORLD FINANCE LIMITED

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Company's ability to collect the modified cash flows taking into account the Company's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Company calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Company measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Company derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in profit or loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in profit or loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss.

1.17 Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the statement of financial position as follows:

- i. for financial assets measured at amortised cost: the financial assets are shown at full value in the respective notes and provision are separately shown under Note : 17 Provisions;
- ii. for debt instruments measured at FVTOCI: no loss allowance is recognised in Balance Sheet as the carrying amount is at fair value.

1.18 Cash and bank balances:

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term and liquid investments being subject to more than insignificant risk of change in value, are not included as part of cash and cash equivalents.

1.19 Securities premium account:

i. Securities premium includes:

- a. The difference between the face value of the equity shares and the consideration received in respect of shares issued pursuant to Stock Option Scheme.
- b. The fair value of the stock options which are treated as expense, if any, in respect of shares allotted pursuant to Stock Options Scheme.
- ii. The issue expenses of securities which qualify as equity instruments are written off against securities premium account.

1.20 Borrowing costs:

Borrowing costs include interest expense calculated using the effective interest method, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

Borrowing costs net of any investment income from the temporary investment of related borrowings, that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

KOTHARI WORLD FINANCE LIMITED

1.21 Share-based payment arrangements:

The stock options granted to employees pursuant to the Company's Stock Options Schemes, are measured at the fair value of the options at the grant date. The fair value of the options is treated as discount and accounted as employee compensation cost over the vesting period on a straight-line basis. The amount recognised as expense in each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognised as expense in respect of such grant is transferred to the general reserve within equity.

1.22 Accounting and reporting of information for Operating Segments:

Operating segments are those components of the business whose operating results are regularly reviewed by the chief operating decision making body in the Company to make decisions for performance assessment and resource allocation. The reporting of segment information is the same as provided to the management for the purpose of the performance assessment and resource allocation to the segments. Segment accounting policies are in line with the accounting policies of the Company.

1.23 Foreign currencies:

- i. The functional currency and presentation currency of the Company is Indian Rupee. Functional currency of the Company and foreign operations has been determined based on the primary economic environment in which the Company and its foreign operations operate considering the currency in which funds are generated, spent and retained.
- ii. Transactions in currencies other than the Company's functional currency are recorded on initial recognition using the exchange rate at the transaction date. At each Balance Sheet date, foreign currency monetary items are reported at the prevailing closing spot rate. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.
Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing spot rate are recognised in the Statement of Profit and Loss in the period in which they arise.
- iii. Financial statements of foreign operations whose functional currency is different than Indian Rupees are translated into Indian Rupees as follows:
 - a. assets and liabilities for each Balance Sheet presented are translated at the closing rate at the date of that Balance Sheet;
 - b. income and expenses for each income statement are translated at average exchange rates; and
 - c. all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve for subsequent reclassification to profit or loss on disposal of such foreign operations.

1.24 Taxation:

Current Tax:

Tax on income for the current period is determined on the basis of taxable income (or on the basis of book profits wherever minimum alternate tax is applicable) and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.

Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets relating to unabsorbed depreciation/business losses/losses under the head "capital gains" are recognised and carried forward to the extent of available taxable temporary differences or where there is convincing other evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets in respect of unutilised tax credits which mainly relate to minimum alternate tax are recognised to the extent it is probable of such unutilised tax credits will get realised.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

1.25 Provisions, contingent liabilities and contingent assets:

Provisions are recognised only when:

- i. an Company entity has a present obligation (legal or constructive) as a result of a past event; and
- ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- iii. a reliable estimate can be made of the amount of the obligation

Provision is measured using the cash flows estimated to settle the present obligation and when the effect of time value of money is material, the carrying amount of the provision is the present value of those cash flows. Reimbursement expected in respect of expenditure required to settle a provision is recognised only when it is virtually certain that the reimbursement will be received.

KOTHARI WORLD FINANCE LIMITED

Contingent liability is disclosed in case of:

- i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
- ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent assets are disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

Where the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under such contract, the present obligation under the contract is recognised and measured as a provision.

1.26 Commitment:

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- a. estimated amount of contracts remaining to be executed on capital account and not provided for;
 - b. uncalled liability on shares and other investments partly paid;
 - c. funding related commitment to associate companies; and
 - d. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.
- Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

1.27 Statement of cash flows:

Statement of cash flows is prepared segregating the cash flows into operating, investing and financing activities. cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

- i. changes during the period in operating receivables and payables transactions of a non-cash nature;
- ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised gains and losses; and
- iii. all other items for which the cash effects are investing and financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

1.28 Earnings per share:

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

1.29 Key source of estimation:

The preparation of financial statements in conformity with Ind AS requires that the management of the Company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates include useful lives of property, plant and equipment & intangible assets, expected credit loss on loan books, future obligations in respect of retirement benefit plans, fair value measurement etc. Difference, if any, between the actual results and estimates is recognised in the period in which the results are known.

1.30 Operating cycle for current and non-current classification:

Based on the nature of products / activities of the Company entities and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.31 Statutory Reserve

In accordance with Section 45 - IC of the Reserve Bank of India (Amendment) Act 1997, Twenty percent of the profit after taxation has been transferred to Statutory Reserve.

1.32 Security of Loans Given

Housing Loans/ Loans against property are granted are secured by equitable registered mortgage of property and I or undertaking to create a security. Other Secured Loans are secured against hypothecation of respective assets.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 2 : Cash and cash equivalents

Particulars	As at 31-03-21	As at 31-03-20
Cash on hand	1,844	95,958
Balances with banks in current accounts	364,725	949,097
Term deposits with original maturity upto 3 months	26,507,438	24,650,000
Total	26,874,007	25,695,055

Note 3 : Bank balances other than cash and cash equivalents

Particulars	As at 31-03-21	As at 31-03-20
Balances with Banks :		
Deposits with Banks maturity over more than 3 Months and less than 12 months	10,856,113	32,517,272
Deposits with Banks maturity over more than 12 Months	53,746,417	5,163,988
Total	64,602,530	37,681,260

Details of term deposits - under lien

Notes :

Balance includes Rs.5,13,234/- (previous year Rs.7,96,525/-) which was kept as deposit with bank for issuing of bank guarantee for The DNH Power Corporation Ltd.

Note 4 : Receivables

Particulars	As at 31-03-21	As at 31-03-20
I Trade receivables		
a) Trade receivables considered good - Secured		
b) Trade receivables considered good - Un-Secured	4,833,968	2,504,069
c) Trade receivables doubtful	-	-
Less : Provision for doubtful debts	-	-
d) Trade Receivables which have Low credit risk	-	-
e) Trade Receivables which have significant increase in Credit Risk; and	-	-
f) Trade Receivables which have credit impaired	-	-
A	4,833,968	2,504,069
II Other Receivables		
Unsecured, Considered Good		
Cash Segment	7,752,411	3,585,575
B	7,752,411	3,585,575
Total	12,586,379	6,089,644

No trade or other receivable are due from director or other officers of the Company either severally or jointly with any other person, or from firms or private Companies respectively in which any director is a partner, a director or a member.

Note 5 : Inventory

Particulars	As at 31-03-21	As at 31-03-20
Shares and debentures (held as stock in trade)	2,465,690	2,692,314
Total	2,465,690	2,692,314

Note :

1 The fair market value of the stock lying in the inventory is Rs.67,53,937 (previous year Rs.1,21,46,444).

Note 6 : Loans

Particulars	As at 31-03-21	As at 31-03-20
Loans & Advances in India-at amortised cost		
- public sector	-	-
- other Loans		
secured (secured by tangible assets)	946,559	1,159,628
unsecured	-	55,703,219
Total	946,559	56,862,847

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021
 (Currency: Amount in Rupees)

Note 7 : Investments

Particulars	Face value	31-03-21		31-03-20	
		Quantity	Value	Quantity	Value
Investment in equity shares					
i) Quoted, fully paid-up	2	200,000	2,700,000 (2,700,000)	200,000	2,700,000 (2,700,000)
Tricom India Limited					
Less : Provision for diminution in value of investment			-		-
ii) Unquoted, fully paid-up					
Kaikhushroo Manekji Mehta Stone & Engg. Works Private Limited	10	5,000	50,000	5,000	50,000
Steady Mercantile Co. Private Limited	100	120	60,000	120	60,000
Munoth Hire Purchase Limited	10	56,900	98,437 (98,437)	56,900	98,437 (98,437)
Less : Provision for diminution in value of investment			110,000		110,000
iii) a) Associate company					
Unquoted, fully paid-up					
At Deemed Cost					
International Health Care Products Limited - Original Cost of Investment	100	7,050	2,530,100 14,824,428	7,050	2,530,100 12,546,255
Add : Share of Profit Post acquisition			17,354,527.67		15,076,354.57
b) Associates of associate company					
Unquoted, fully paid-up					
At Deemed Cost					
Goldcoin Engineers Private Limited	100	1,421	630,000	1,421	630,000
D.Dahyabhai & Co. Private Limited	100	1,100	110,000	1,100	110,000
Famous Commercial & Leasing Private Limited	100	200	100,000	200	100,000
Total net carrying value of investments			18,194,528		15,916,355
			18,304,528		16,026,355
Aggregate of Unquoted Investments	Cost		3,578,537		3,578,537
Aggregate of Quoted Investments	Cost		2,700,000		2,700,000
Market Value			-		-

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Credit quality of assets

The table below shows the credit quality and the maximum exposure to credit risk based on year-end stage classification. The amounts presented are gross impairment loss allowance.

	Stage	As at 31-03-21	As at 31-03-20
Term loans in India-at amortised cost			
- public sector	Stage-1	-	-
- others	Stage-2	946,559	1,159,628
secured (secured by tangible assets)	Stage-3	-	-
unsecured		946,559	1,159,628

Note 8 : Other financial assets

Particulars	As at 31-03-21	As at 31-03-20
<i>Unsecured, Considered Good unless otherwise stated</i>		
Interest accrued on bank deposits	3,658,891	2,799,308
Interest accrued on Capital Advances	2,749,753	-
Interest accrued others	4,066	-
Loan to Staff	-	90,000
Total	6,412,710	2,889,308

Note 9 : Current tax assets (Net)

Particulars	As at 31-03-21	As at 31-03-20
Current tax assets		
- Advance tax and tax deducted at source (net of provision for tax)	2,286,788	2,049,363
Total	2,286,788	2,049,363

Note 10 : Deferred tax assets (Net)

Particulars	As at 31-03-21	As at 31-03-20
Deferred tax liabilities		
Depreciation and amortization	15,362	-
Deferred tax asset		
Depreciation and amortization	-	2,681
Contingent Provision for standard & Sub-standard assets	595	3,505,600
Total	14,766	3,508,281

10.1 The components of income tax expense for the years ended 31 March 2020 and 2019 are:

	As at 31-03-21	As at 31-03-20
Current tax:		
In respect of current year	5,614,400	5,166,600
In respect of prior years	1,037,328	(153,733)
Deferred tax:		
Deferred tax relating to origination and reversal of temporary differences	3,523,047	(3,466,777)
In respect of prior years	-	-
Total income tax recognised in profit or loss	10,174,775	1,546,089
Current tax & earlier year tax	5,614,400	5,012,867
Deferred tax	3,523,047	(3,466,777)
	9,137,447	1,546,089

10.2 Income tax recognised in other comprehensive income

	As at 31-03-21	As at 31-03-20
Deferred tax related to items recognised in other comprehensive income during the year:		
In respect of current year	-	-
Income tax relating to items that will not be reclassified to profit or loss	-	-
Total income tax recognised in other comprehensive income	-	-

(Currency: Amount in Rupees)

Note 11 : Investment Properties

Particulars	31-03-21 At amortized cost			Total	31-03-20 At amortized cost			
	Freehold Land	Buildings	Leasehold land and building		Freehold Land	Buildings	Leasehold land and building	Total
Investment in properties								
Gross carrying amount	22,824,112	106,928,073	9,054,619	138,806,804	22,824,112	106,928,073	9,054,619	138,806,804
Additions	-	83,182	-	83,182	-	-	-	-
Disposals and transfer	-	-	9,054,619	9,054,619	-	-	-	-
Closing gross carrying amount	22,824,112	107,011,255	-	129,835,367	22,824,112	106,928,073	9,054,619	138,806,804
Accumulated amortization	-	30,444,709	1,600,666	32,045,375	-	27,808,358	1,407,451	29,215,809
Amortization during the year	-	2,636,349	96,608	2,732,957	-	2,636,351	193,215	2,829,566
Disposals and transfer	-	-	1,697,274	1,697,274	-	-	-	-
Closing Accumulated amortization	-	33,081,058	-	33,081,058	-	30,444,709	1,600,666	32,045,375
Net Carrying Amount	22,824,112	73,930,197	-	96,754,309	22,824,112	76,483,364	7,453,953	106,761,429

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 12 : Property, Plant and Equipment

Particulars	Tangible Assets				Intangible Assets	
	Plant & Machinery	Own Assets Furniture & Fixtures	Office Equipment	Vehicle	Total	Computer software's/Licensing cost
Gross carrying Amount						
Cost as at April 1, 2019	-	48,094	182,149	-	230,243	68,153
Additions	83,131	-	-	-	83,131	52,000
Disposals and transfers	-	-	-	-	-	-
Closing gross carrying amount	83,131	48,094	182,149	-	313,374	120,153
Accumulated depreciation						
Opening accumulated depreciation	-	46,747	144,328	-	191,075	27,920
Depreciation charge during the year	216	-	16,082	-	16,298	33,605
Disposals and transfers	-	-	-	-	-	-
Closing accumulated depreciation	216	46,747	160,410	-	207,373	61,525
Net carrying amount as at March 31, 2020	82,915	1,347	21,739	-	106,001	58,628
Gross carrying amount						
Opening gross carrying amount April 01, 2020	83,131	48,094	182,149	-	313,374	120,153
Additions	-	-	57,852	4,202,477	4,260,329	10,000
Disposals and transfers	83,131	-	-	-	83,131	-
Closing gross carrying amount	-	48,094	240,001	4,202,477	4,490,572	130,153
Accumulated depreciation						
Opening accumulated depreciation	216	46,747	160,410	-	207,373	61,525
Depreciation charge during the year	987	-	18,480	224,228	243,695	37,025
Disposals and transfers	1,203	-	-	-	1,203	-
Closing accumulated depreciation	-	46,747	178,890	224,228	449,865	98,550
Net carrying amount as at March 31, 2021	-	1,347	61,111	3,978,249	4,040,707	31,602

Notes :

1. On transition date the Company has elected to carry previous GAAP carrying amount as deemed cost.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

10.3 The reconciliation of estimated income tax expense at tax rate to income tax expense reported in profit or loss is as follows:

	As at 31-03-21	As at 31-03-20
a. Profit before tax	44,051,417	15,513,710
b. Applicable income tax rate (%)	25.17%	27.82%
c. Tax on accounting profit (c)=(a)*(b)	11,086,861	4,315,914
d. Tax effect of adjustments to reconcile expected income tax expense to reported income tax expense:		
i. Effect of income exempt from tax :	-	(26,821)
ii. Effect of expenses/provisions not deductible in determining taxable profit	5,472,461	(850,686)
iii. Effects of income not considered as taxable on compliance of condition	-	-
iv. Income tax for earlier year	-	-
v. Tax effect on various other items	-	-
Total effect of tax adjustments [(i) to (v)]	5,472,461	(877,507)
e. Tax expense recognised during the year (e)=(c)-(d)	5,614,400	5,193,421
f. Actual effective income tax rate (%) (f)=(e)/(a)	12.75%	33.48%

Note 13 : Other non-financial assets

Particulars	As at 31-03-21	As at 31-03-20
<i>Unsecured, Considered Good unless otherwise stated</i>		
Capital advances	55,703,219	-
Balances with Statutory/Government Authorities		
- GST Balances	16,712	54,442
Prepaid Expenses	66,753	84,271
Security Deposits		
Unsecured	317,789	130,467
Considered Doubtful	1,200,000	1,200,000
Total	57,304,473	1,469,180

Note 14 : Payables

Particulars	As at 31-03-21	As at 31-03-20
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
Other payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	518,154	792,274
Total	518,154	792,274

Note 14.1 - Trade Payables includes Rs. Nil (Previous Years: Rs. Nil) payable to "Suppliers" registered under the Micro, Small and Medium Enterprises Development Act, 2006. No interest has been paid/is payable by the Company during the year to "Suppliers" registered under this act. The above is based on the information available with the Company which has been relied upon by the auditors.

Note 15 : Borrowings (Other than Debt Securities)

Particulars	As at 31-03-21	As at 31-03-20
<i>At Amortized Cost</i>		
Secured, Term Loan		
From Financial Institution (Vehicle Loan)	3,724,109	-
Total	3,724,109	-

Note 15.1 - Term Loan is secured against the vehicle.

Note 16 : Other financial liabilities

Particulars	As at 31-03-21	As at 31-03-20
Deposits (not as defined in section 2 (31) of Companies Act, 2013)	4,974,411	4,697,393
Statutory Payables	361,489	390,852
Other Liabilities	847,777	-
Total	6,183,677	5,088,245

*Includes amounts pertaining to related parties Rs. Nil/- (previous year Rs. Nil/-)

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 17 : Current tax liabilities (net)

Particulars	As at 31-03-21	As at 31-03-20
Provision for tax (net of advance tax)	-	-
Total	-	-

Note 18 : Provisions

Particulars	As at 31-03-21	As at 31-03-20
Provision for impairment loss allowance		
Contingent Provisions against Standard Assets (loan)	2,366	2,899
Contingent Provisions against Sub-Standard Assets (loan)	-	13,925,900
Expected credit loss allowance (receivables)	629,465	309,213
Doubtful loss allowance (deposit)	1,200,000	1,200,000
Total	1,831,831	15,438,012

Note 19 : Other non-financial liabilities

Particulars	As at 31-03-21	As on 31-03-20
Advance receipts from customers	-	511,000
Others	-	-
Total	-	511,000

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 20 : Equity share capital

Particulars	As at 31-03-21	As at 31-03-20
Authorized Shares 2,50,00,000 (2,50,00,000) Equity Shares of Rs. 10/- each	250,000,000	250,000,000
Issued, Subscribed and fully Paid Up 74,37,500 (74,37,500) Equity Shares of Rs. 10/- each	74,375,000	74,375,000
Total	74,375,000	74,375,000

20.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year.

Particulars	31-03-21		31-03-20	
	Number	Amount	Number	Amount
Equity shares of Rs.10 fully paid up				
Shares outstanding at the beginning of the year	7,437,500	74,375,000	7,437,500	74,375,000
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	7,437,500	74,375,000	7,437,500	74,375,000

20.2 Details of shareholders holding more than 5% of shares in the Company.

Name of Shareholder	31-03-21		31-03-20	
	No. of shares	% of Holding	No. of Shares	% of Holding
Liza Nitesh Kothari	660,275	8.88%	654,775	8.80%
Nitesh Prataprai Kothari	768,950	10.34%	761,750	10.24%
D Dahyabhai And Co Private Limited	967,500	13.01%	967,500	13.01%
Goldcoin Engineers Private Limited	724,120	9.74%	724,120	9.74%
Ramesh U Ramchandani	1,347,597	18.12%	1,331,147	17.90%

20.3 This disclosure is on the basis of legal ownership except where information regarding beneficial ownership is available from the records of the Company or from the depositories.

20.4 The company have one class of equity shares having par value of Rs. 10/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation of the company, holder of equity shares will be entitled to receive remaining assets of the company. The distribution will be in the proportion to the number of equity shares held by the shareholders.

Note 21 : Reserve & Surplus

Particulars	As at 31-03-21	As at 31-03-20
a) Securities Premium Account		
Balance as at the beginning of the year	37,345,000	37,345,000
Add: Premium on shares issued during the year	-	-
Balance as at the end of the year	37,345,000	37,345,000
b) Statutory Reserve Fund (Refer note 20.2)		
Balance as at the beginning of the year	24,160,063	20,871,000
Add: Transfer from Surplus in the Statement of Profit & Loss (Refer note 3.1)	7,599,889	3,289,063
Balance as at the end of the year	31,759,952	24,160,063
c) General Reserve		
Balance as at the beginning of the year	100,000	100,000
Add: Transfer from Surplus in the Statement of Profit & Loss	-	-
Balance as at the end of the year	100,000	100,000
d) Capital Reserve		
Balance as at the beginning of the year	11,185,000	11,185,000
Add: Transfer from Surplus in the Statement of Profit & Loss	-	-
Balance as at the end of the year	11,185,000	11,185,000
e) Surplus in the Statement of Profit & Loss		
Balance as at the beginning of the year	92,895,067	79,738,814
Add: Profit for the year	37,192,143	16,445,316
Less: Transfer to Reserve Fund (Refer footnote 1)	7,599,889	3,289,063
Add: Fair Value measurement through FVTPL	-	-
Less: Expected Credit Loss on Loans, Advances, Deposits & Receivables	-	-
Add: Prior Period Rentals & Interest Income	4,122,801	-
Less: Tax Expenses related to Prior Period Rentals & Interest Income	1,037,328	-
Balance as at the end of the year	125,572,795	92,895,067
Total Reserve & Surplus (a+b+c+d)	205,962,747	165,685,130

Notes:-

The amounts appropriated out of the surplus in the Statement of Profit and Loss are as under:

1. Reserve Fund in terms of section 45-IC(1) of the Reserve Bank of India Act, 1934
2. Transfer to Special Reserve Rs.75.99 Lakh (Previous Year: Rs.32.89 Lakh) as prescribed by section 45-IC of the Reserve Bank of India Act, 1934, being 20% of the profit after tax for the year.

KOTHARI WORLD FINANCE LIMITED
Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 22 : Interest income

Particulars	2020-21	2019-20
Interest Income on financial assets measured at amortised costs:		
- Loans	129,507	2,199,505
- Fixed Deposits	4,922,221	3,847,079
- Other	4,396	4,683
On financial assets measured at FVTPL:		
- Interest income from investments	-	-
Total	5,056,125	6,051,266

Note 23 : Rental income

Particulars	2020-21	2019-20
License Fees (Net of GST)	35,883,908	39,529,341
Total	35,883,908	39,529,341

Note 24 : Net gain on fair value changes

Particulars	2020-21	2019-20
a) Net gain/loss on financial instruments at FVTPL		
i) On trading portfolio		
- Investments	-	-
ii) On financial instruments designated at FVTPL	-	-
b) Others	-	-
- mutual fund units		
- On financial instruments designated at FVTPL (deposits from customer's)	(68,010)	1,263,135
c) Changes in Fair value on Loans, advances & receivables		
- Provision for Fair value, measurement		
- Contingency Provisions on Sub-Standard Assets	13,925,900	-
- Contingency Provisions on Standard Assets	533	-
	13,858,423	1,263,135
Total net gain/(loss) on financial instruments at FVTPL		
Fair value changes:		
- realized	-	-
- unrealized	13,858,423	1,263,135
Total	13,858,423	1,263,135

Note 25 : Sale of shares

Particulars	2020-21	2019-20
Sale of shares	6,234,842	-
Total	6,234,842	-

Note 26 : Trading in Future & Options (net Gain/Loss)

Particulars	2020-21	2019-20
Net Gain/(Loss) in Future & Options	(6,942,427)	(1,568,626)
Total	(6,942,427)	(1,568,626)

Note 27 : Dividend Income

Particulars	2020-21	2019-20
Dividend - Equity Shares held in Stock-in-Trade	21,038	96,408
Total	21,038	96,408

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

Note 28 : Other income

Particulars	2020-21	2019-20
Contingency Provisions on Standard Assets	-	139,736
Interest on income tax refund	-	41,590
Miscellaneous income	-	60,445
Profit on sale of Fixed Asset	920,727	-
Total	920,727	241,770

Note 29 : Purchase of stock in trade

Particulars	2020-21	2019-20
Equity Shares of Stock-in-Trade	887,905	500,496
Total	887,905	500,496

Note 30 : Changes in inventories of stock in trade

Particulars	2020-21	2019-20
Opening Inventory	2,692,314	7,740,008
Less : Closing Inventory	2,465,690	2,692,314
Changes in Inventory	226,623	5,047,695

Note 31 : Employee benefits expenses

Particulars	2020-21	2019-20
Salaries, Wages and Bonus	2,246,908	2,110,501
Directors Remuneration	200,000	1,200,000
Staff welfare Expenses	40,122	16,867
Total	2,487,030	3,327,368

Note 32 : Depreciation and amortization expenses

Particulars	2020-21	2019-20
Depreciation on Tangible assets (Also, refer note 9)	243,695	16,298
Depreciation on Intangible assets (Also, refer note 9)	37,025	33,605
Amortization on Investment properties (Also, refer note 9)	2,732,957	2,829,566
Total	3,013,677	2,879,469

Note 33 : Finance Costs

Particulars	2020-21	2019-20
On financial liabilities measured at amortised cost:		
On Security Deposits - INDAS	409,008	577,756
Interest Expenses		
- Term Loan	144,084	-
- Others		
Total	553,092	577,756

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

Note 34 : Other expenses

Particulars	2020-21	2019-20
Advertisement Charges	34,851	102,103
Electricity Charges	530,708	108,431
Repairs others	70,431	237,004
Insurance	-	63,207
Directors Sitting Fees	1,200	9,600
Listing Fee	300,000	300,000
Changes in Fair value on Loans, advances & receivables		
Provision for Fair value, measurement	320,251	220,950
Contingency Provisions on Sub-Standard Assets	-	13,925,900
Legal and Professional Fees	994,641	1,413,290
Auditors Remuneration (Refer Note No. 34.1)	110,000	100,000
Travelling and Conveyance	207,024	14,310
Office Rent	110,940	110,940
Printing and Stationery	18,555	31,525
Property Tax and Maintenance Charges	605,748	835,397
Rates & Taxes	412,533	215,451
Miscellaneous Expenses	96,009	78,693
Total	3,812,892	17,766,801

Note 34.1: Auditors Remuneration

Particulars	2020-21	2019-20
As Auditor:		
Audit Fee	90,000	80,000
Tax Audit Fee	-	-
Others	20,000	20,000
Total	110,000	100,000

Note 35 : Basic and Diluted Earnings per share [EPS] computed in accordance with Indian Accounting Standard (Ind AS) 33 "Earnings per Share":

Particulars	2020-21	2019-20
Net Profit After Tax available for Equity Shareholders - (Rs.)	37,192,143	16,445,481
Weighted average number of Equity Shares for Basic EPS	7,437,500	7,437,500
Weighted average number of Equity Shares for Diluted EPS	7,437,500	7,437,500
Nominal Value of Ordinary Shares	10	10
Basic & Diluted Earnings per Equity Share	5.00	2.21

Revised Calculation of Earnings Per Share for the F.Y. 2019-20 on account of booking of Prior Period Interest and dues and Tax Thereon, Charged to Reserve & Surplus (Refer Note 20)

Particulars	2019-20	
Net Profit After Tax available for Equity Shareholders - (Rs.)		
As Reported in FY 2019-20	16,445,481	
Add : Prior Period Rentals & Interest Income	4,122,801	
Less : Tax Expenses related to Prior Period Rentals & Interest Income	1,037,328	
Revised Net Profit After Tax available for Equity Shareholders - (Rs.)		19,530,954
Weighted average number of Equity Shares for Basic EPS		7,437,500
Weighted average number of Equity Shares for Diluted EPS		7,437,500
Nominal Value of Ordinary Shares		10
Basic & Diluted Earnings per Equity Share		2.63

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 36 : MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. With regard to loans and advances to customers, the Company uses the same basis of expected repayment behaviour as used for estimating the EIR

		As at March 31, 2021			As at March 31, 2020		
Particulars	Notes Nos.	Within 12 Months	After 12 Months	Total	Within 12 Months	After 12 Months	Total
ASSETS							
1 Financial Assets							
(a) Cash and cash equivalents	2	26,874,007	-	26,874,007	25,695,055	-	25,695,055
(b) Bank balances other than cash and cash equivalents	3	10,856,113	53,746,417	64,602,530	32,517,272	5,163,988	37,681,260
(c) Receivables	4						
Trade receivables		4,833,968	-	4,833,968	2,504,069	-	2,504,069
Other receivables		7,752,411	-	7,752,411	3,585,575	-	3,585,575
(d) Inventory	5	2,465,690	-	2,465,690	2,692,314	-	2,692,314
(e) Loans	6	237,528	709,031	946,559	55,916,288	946,559	56,862,847
(f) Investments	7	-	18,304,528	18,304,528	-	16,026,355	16,026,355
(g) Other financial assets	8	6,412,710	-	6,412,710	2,889,308	-	2,889,308
2 Non-Financial Assets							
(a) Current tax assets (Net)	9	-	2,286,788	2,286,788	-	2,049,363	2,049,363
(b) Deferred tax assets (Net)	10	-	-	-	-	3,508,281	3,508,281
(c) Investment Property	11	-	96,754,309	96,754,309	-	106,761,429	106,761,429
(d) Property, plant and equipment	12(i)	-	4,040,707	4,040,707	-	106,001	106,001
(e) Other intangible assets	12(ii)	-	31,602	31,602	-	58,628	58,628
(f) Other non-financial assets	13	83,465	57,221,008	57,304,473	138,713	1,330,467	1,469,180
TOTAL ASSETS		59,515,892	233,094,390	292,610,283	125,938,593	135,951,069	261,889,662
LIABILITIES							
Liabilities							
3 Financial Liabilities							
(a) Payables	14						
i) Trade Payables							
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-	-	-	-	-
ii) Other payables							
Total outstanding dues of micro enterprises and small enterprises		-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		518,154	-	518,154	792,274	-	792,274
(b) Borrowings (Other than Debt Securities)	15	501,106	3,223,002	3,724,109	-	-	-
(c) Other financial liabilities	16	1,798,066	4,385,611	6,183,677	965,291	4,122,954	5,088,245
4 Non-Financial Liabilities							
(a) Current tax liabilities (net)	17	-	-	-	-	-	-
(b) Deferred tax liabilities	10	-	14,766	14,766	-	-	-
(c) Provisions	18	1,831,831	-	1,831,831	15,438,012	-	15,438,012
(d) Other non-financial liabilities	19	-	-	-	-	511,000	511,000
TOTAL LIABILITIES		4,649,157	7,623,380	12,272,536	17,195,578	4,633,954	21,829,532

CAPITAL MANAGEMENT

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital in a manner which enables it to safeguard its ability to continue as a going concern and to optimise returns to the Shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The funding requirements are met through operating cash flows and other equity. The management monitors the return on capital and the board of directors monitors the level of dividends paid to shareholders of the Company. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 36 : Disclosure pertaining to corporate social responsibility expenses

The company has not applicable provision of Sec. 135 of the Companies Act, 2013 viz. Corporate Social Responsibility.

Note 37 : Disclosure pursuant to Ind AS 116 "Leases"

Operating leases:

- The Company has paid rent for the premises originally taken on lease basis with a Tenancy Right. The Company has filed suit in the Session Court for claiming the tenancy right. In light of claim for tenancy right, in the opinion of management Ind-AS 116 is not applicable to the Company. Gross rental expenses of Rs.Nil/- (Previous Year Rs.1,10,940/-) recognised in the Statement of Profit and Loss.
- The company has acquired property under lease rights from DIC which are subsequent given for sub-lease, the company has not recognized leased assets in the balancesheet as the sub-lease charges are paid in form of tax as per agreement, hence in view of lease hold rights in the opinion of management Ind-AS 116 is not applicable to the Company.
- Contingent rent recognised in the Statement of Profit and Loss: R Nil (previous year: R Nil)
- Lease rentals received for the assets let out on operating lease arrangement for which are cancellable by either party by providing notice as mentioned in the agreement. Lease rental income / License fees of Rs.3,58,83,908/- (P.Y. Rs. 3,95,29,341/-) are recognised as income in the statement of Profit and Loss under the head 'Revenue from operations'.
- The future minimum lease rental income receivable under non-cancellable operating leases in the aggregate and for each of the following periods:

Particulars	2020-21	2019-20
Within 1 year of the balance sheet date	200,000	-
Due in a period between 1 year and 5 year	-	-
Due after 5 years	-	-

Note 38 : Disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures": Financial risk management

The Company being a Core Investment Company as per the Core Investment Companies (RBI) Directions, 2016 is required to invest or lend majority of its fund to subsidiaries. The Company's principal financial liabilities comprise borrowings and trade and other payables. The main purpose of these financial liabilities is to finance and support Company's operations. The Company's principal financial assets include inter corporate deposits, loans, cash and cash equivalents and other receivables

The Company is exposed to market risk, credit risk, liquidity risk and operational and business risk. The Company's management oversees the management of these risks. The Company's senior management is supported by a Risk Management Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The Risk Committee provides assurance to the Company's senior management the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk objectives. The major risks are summarised below:

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Company, market risk primarily impacts financial instruments measured at fair value through profit or loss.

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have exposure to the risk of changes in market interest rate as it has debt obligations with fixed interest rates which are measured at amortised cost.

Credit Risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or a customer contract, leading to a financial loss. The Company is exposed to credit risk from its financing activities towards inter corporate deposits to subsidiaries, where no significant impact on credit risk has been identified.

Equity price risk

The Company's investment in non-listed equity securities are accounted at cost in the financial statement net of impairment. The expected cash flow from these entities are regularly monitored to identify impairment indicators.

Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's corporate treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. The Company manages its liquidity requirement by analysing the maturity pattern of the Company's cash flow of financial assets and financial liabilities. The Company's objective is to maintain a balance between continuity of funding and flexibility through issuance of equity shares, commercial paper etc. The Company invests its surplus funds in debt schemes of mutual funds, which carry low mark to market risks."

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 39 : Other disclosure pursuant to Ind AS 107 "Financial Instruments: Disclosures":

a. Category-wise classification for applicable financial assets and financial liabilities:

Particular's	As at March 31, 2021		As at March 31, 2020	
	FVTPL	Amortized Cost	FVTPL	Amortized Cost
Financial Assets				
Cash and cash equivalents	-	26,874,007	-	25,695,055
Bank balances other than above	-	64,602,530	-	37,681,260
Receivables	-	12,586,379	-	6,089,644
Inventory	2,465,690	-	2,692,314	-
Loans	-	946,559	-	56,862,847
Investments	-	18,304,528	-	16,026,355
Other financial assets	-	6,412,710	-	2,889,308
Total financial assets	2,465,690	129,726,714	2,692,314	145,244,468
Financial Liabilities				
Payables	-	518,154	-	792,274
Borrowings (Other than Debt Securities)	-	3,724,109	-	-
Other financial liabilities	4,974,411	1,209,266	4,697,393	390,852
Total financial liabilities	4,974,411	5,451,528	4,697,393	1,183,127

Note:

- No financial assets and liabilities has been measured at fair value through other comprehensive income.
- Carrying amounts of cash and cash equivalents, trade receivables, other payables as at March 31, 2021 and March 31, 2020 approximate the fair value because of their short term nature. The carrying amounts of loans given and borrowings taken for short term are considered to be close to the fair value.
- In the absence of unobservable market for these loan assets, the fair value have been determined from the perspective of the Company's asset considering the changes in performance and risk indicators (including delinquencies and interest rate).

b. Expected credit loss - loans

Loss allowance measured at 12 month expected credit losses:

Financial assets for which credit risk has not increased significantly since initial recognition

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated gross carrying amount at default	946,559	56,862,847
Expected Credit Loss	2,366	13,928,799
Carrying amount net of impairment provision	944,193	42,934,048

c. Expected credit loss - receivables

Loss allowance measured at 12 month expected credit losses:

Financial assets for which credit risk has not increased significantly since initial recognition

Particulars	As at March 31, 2021	As at March 31, 2020
Estimated gross carrying amount at default	12,586,379	6,089,644
Expected Credit Loss	629,465	309,213
Carrying amount net of impairment provision	11,956,915	5,780,430

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

d. Accounting for open positions

Position left open on the balance sheet date must be accounted for. Debit/credit balance in the "mark-to-market margin -Equity index futures account", maintained on global basis, represents the net amount paid/received on the basis of movement in the prices of index futures till the balance sheet date. Keeping in view 'prudence' as a consideration for preparation of financial statements, provision for anticipated loss, which may be equivalent to the net payment made to the broker (represented by the debit balance in the "mark-to-market margin - Equity index futures account") should be created by debiting the profit and loss account. Net amount received (represented by credit balance in the "mark-to-market margin -Equity index futures account") being anticipated profit should be ignored and no credit for the same should be taken in the profit and loss account. The debit balance in the said "mark-to-market margin -Equity index futures account", i.e., net payment made to the broker, disclose under the head " Other Receivables" in the balance sheet and the provision created there against should be shown as a deduction therefrom. On the other hand, the credit balance in the said account, i.e., the net amount received from the broker, should be shown as a current liability under the head " Other Current Liabilities" and provisions in the balance sheet".

Particulars	Qty.	Net Profit/(Loss)	Line Item in Balance sheet/Statement of Profit & Loss
As at March 31, 2021			
Nifty Future & Options	1,800	847,777	Item that will be classified as liability in Balance sheet
	-	-58,088	Item Charged to Profit & Loss
As at March 31, 2020			
Nifty Future & Options	-	-	

e. Movement in Mark-to-Market

Particulars	2020-21	2019-20
i. At the Beginning of the Year		
ii. Loss Recognized during the Year	6,506,048	1,568,626
iii. Mark-to-Market Profit eliminated	494,467	-
Mark-to-Market Loss accounted and		
iv. Classified into Profit & Loss	-58,088	
v. At the end of the Year	6,942,427	1,568,626

Note 40 : Disclosure pursuant to Ind AS 108 "Operating Segment"

The company operates mainly in the business segment of investment activity. As such there are no reportable segments as per IND AS 108 on operating segment.

Note 41 : Disclosure pursuant to Ind AS 19 "Employee Benefits":

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered. The company is providing one-month salary of leave encashment in the last month of the respective financial year.

Note 42 : Disclosure of related parties/related party transactions pursuant to Ind AS 24 " Related Party Disclosures"

a. Name of the related parties and description of relationship:

Name	Relationship
Mrs. Liza Kothari	Managing Director
Mr. Nitesh Kothari	Director
Mr. Atheva Mayekar	Director
Mr. Vivek Mhatre	Director
Mr. Manohar Mhatre	Additional Director
Ms. Ekta Rathod (Resigned from CFO w.e.f 05/12/2020)	CFO
Ms. Madhu Kadam	Company Secretary
International Health Care Products Limited (IHCP)	Associate
Goldcoin Engineers Private Limited (GEPL)	Associate of IHCP
D Dahyabhai & Co. Privata Limited (DDPL)	Associate of GEPL
Famous Commercial & Leasing Private Limited (FCPL)	Associate of GEPL
Vishal Construction Company Private Limited	Common Directorship
Paras Silk Mills Private Limited	Common Directorship
Spectrum Capital Private Limited	Common Directorship
Steady Mercantile Company Private Limited	Common Directorship
Kaikhuroo Manekji Mehta Stone And Engineering Works Private Limited	Common Directorship

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

b. Related Party Transactions :

Nature of Transaction's/Party Name	As at March 31, 2021	As at March 31, 2020
i. Director Remuneration paid during the year		
Mrs. Liza Kothari	200,000	1,200,000
ii. Salary, Bonus, Incentive & Leave Salary		
Ms. Ekta Rathod	271,365	378,234
Ms. Shefali Tanna	-	113,400
Ms. Madhu Kadam	204,167	97,500
iii. Director Sitting Fees		
Mr. Vivek Mhatre	600	4,800
Mr. Atheva Mayekar	600	4,800
Mr. Jayesh N. Gandhi	-	-
iv. Outstanding at the end of the Year		
Ms. Ekta Rathod	-	53,000
Ms. Madhu Kadam	-	25,000

Note 43 : Contingent liabilities and commitments

a. Particular's	As at March 31, 2021	As at March 31, 2020
Contingent Liabilities		
i. Income Tax Matter's	-	-
The Company has received demands for various years from Income Tax Authorities. In the opinion of the management the Company has discharged all liabilities. The Company is in process of rectifying the demands with the income tax authorities and not expecting any cash outflow on account of such demand.		
ii. Bank Gurantee (details of bank gurantee)	513,234	796,525

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

b. Movement in Contingent Provision against Standard Assets during the year is as under:

Particular's	As at March 31, 2021	As at March 31, 2020
Opening Balance	2,899	142,635
Addition's/(Deduction) during the Year	(533)	(139,736)
Closing Balance	2,366	2,899

c. Movement in Contingent Provision against Sub-Standard Assets during the year is as under:

Particular's	As at March 31, 2021	As at March 31, 2020
Opening Balance	13,925,900	-
Addition's/(Deduction) during the Year	(13,925,900)	13,925,900
Closing Balance	-	13,925,900

Note 44 : Contribution to political parties during the year 2020-21 is Rs. Nil (previous year Rs. Nil).

Note 45 : There are no amounts due and outstanding to be credited to Investor Education & Protection Fund as at March 31, 2021.

Note 46 : Events after the reporting period

- The outbreak of Coronavirus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. In many countries, businesses are being forced to cease or limit their operations for long or indefinite period of time. Measures taken to contain the spread of the virus, including travel bans, quarantines, social distancing, and closures of non-essential services have triggered significant disruptions to businesses worldwide, resulting in an economic slowdown.
- Impact on Lease receivables :
The lease receivables since the implementation of the lockdowns have been delayed beyond the stipulated time. The management of the company has been communicating with the lessee and in their view they are confident that the lease receivables will be recovered in full and no-provision is required in the financials for the outstanding lease rentals.
- Impact on Loan arrangements :
The RBI has released a Master Circular: RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 Dated : March 27, 2020, COVID -19 Regulatory package, where the RBI are permitted to grant a moratorium of three months on payment of all instalments falling due between March 1, 2020 and May 31, 2020 and rescheduling the payment of Term Loans & Working Capital facilities.
A unsecured loan arrangement facility provided by the company to one of its borrower i.e. Renaissance Urban Infra Private Limited has been classified as Sub-standard as on March 31, 2020. During the year the company has an fresh negotiation with the said party and the Loan arrangements has been classified as Capital Advances against Commercial Property which are due for completion and allot in coming year.
The management of the company has reclassified the loan into capital advances against the property in the favour of the company converting the loan facility into contract allotting the property unit under development. Accordingly, the interest accrued for the August 2020 to March 2020, as per settlement are accounted as accrued interest in FY 2021-22 as prior period interest and taxes thereon are charged directly to Reserve & Surplus (**Refer Note 20**).
- Voluntary delisting of equity shares from the
Pursuant to the approval of the Board of Directors of the Company at its meeting held on 14th January, 2020, the Company had filed an application for voluntary delisting of its equity shares from the BSE on 17th February, 2020 under Chapter VII (Special Provisions for Small Companies) of regulation 27 of the Delisting Regulation which was approved by BSE vide its Notice No. 20200605-38 dated 5th June, 2020, pursuant to which the trading in the equity shares of Kothari World Finance Limited (Scrip Code: 511138) is discontinued w.e.f. Friday June 12, 2020. Further the Scrip Code: 511138 is delisted from the BSE records w.e.f. Friday June 19, 2020.
In this regard, the Company has made necessary disclosures required under SEBI Delisting Regulations and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the stock exchanges.
- There have been no other events after the reporting date that require disclosure in the financial statements.

Note 47 : The Company has obtained the Certificate of Registration from the RBI as a Non-Banking Financial Institution - Investment Company on March 09, 1998 under Section 45-IA of the Reserve Bank of India Act, 1934.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 48 : Particular's as per RBI direction's for NBFC

Schedule to the Balance sheet Master Direction vide RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 Dated March 13, 2020

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	5=3-4	6	7=4-6
Performing Assets						
Standard	Stage 1	946,559	2,366	944,193	2,366	-
	Stage 2	-	-	-	-	-
Subtotal		946,559	2,366	944,193	2,366	-
Non-Performing Assets (NPA)						
Substandard	Stage 3	-	-	-	-	-
Doubtful - up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	-	-	-	-	-
Subtotal for doubtful		-	-	-	-	-
Loss	Stage 3	-	-	-	-	-
Subtotal for NPA		-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	-
Total	Stage 1	946,559	2,366	944,193	2,366	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
	Total	946,559	2,366	944,193	2,366	-

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Notes forming part of Consolidated Financial Statements for the year ended 31st March, 2021

(Currency: Amount in Rupees)

Note 49 : Particular's as per RBI direction's for NBFC

Schedule to the Balance sheet of a non-deposit taking non-banking financial company as required in terms of paragraph 18 of Master Direction Non Banking Finance Company- Non Systematically Important Non Deposit taking Company vide Master Direction DNBR.PD.007/03, 10.119/2016-17 dated September 1, 2016

Particular's	Amount Outstanding	Amount Overdue
Liabilities Side		
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :		
a. Debentures :		
Secured	-	-
Unsecured	-	-
(Other than falling within the meaning of public deposits)		
b. Deferred Credits	-	-
c. Term Loans	-	-
d. Inter-Corporate Loans & Borrowing	-	-
e. Commercial Paper	-	-
f. Public deposits	-	-
g. Other Loans (Specify Nature)	-	-
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid :		
a. In the form of Un-secured debentures	-	-
b. In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of the security	-	-
c. Other public deposit's	-	-
Particular's	Amount Outstanding	
Assets Side		
3 Break-up of Loans and Advances including bills receivables (other than those Included in (4) below)		
a. Secured		946,559
b. Unsecured		12,586,379
4 Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
a. Leased assets including lease rentals under sundry debtors :		
i. Financial Lease		-
ii. Operating Lease		-
b. Stock on hire including hire charges under sundry debtors :		
i. Assets on hire		-
ii. Repossessed Assets		-
c. Other loans counting towards AFC activities		
i. Loans where the assets have been repossessed		-
ii. Loans other than (a) above		-
5 Break-up of Investments :		
Investments		
A. Quoted :		
I. Shares :	i. Equity*	2,700,000
	ii. Preference	
II. Debenture & Bonds		
III. Units of mutual funds		
IV. Government Securities		
V. Others (please specify)		
* (disclosed at Cost without considering Provision for diminution in value of investments of Rs.27,00,000)		
B. Unquoted :		
I. Shares :	i. Equity*	18,402,965
	ii. Preference	
II. Debenture & Bonds		
III. Units of mutual funds		
IV. Government Securities		
V. Others (please specify)	i. Immovable Property**	129,835,367
* (disclosed at Cost without considering Provision for diminution in value of investments of Rs.98,437/-)		
** (disclosed at Gross Value without considering amortization on investments of Rs. 3,30,81,058/-)		

KOTHARI WORLD FINANCE LIMITED

6	Borrower group-wise classification of assets financed as in (3) and (4) above : Please - Note 2 below				
Category			Amount net of Provisions		
			Secured	Unsecured	Total
I.	Related Parties		-	-	-
a.	Subsidiaries		-	-	-
b.	Companies in the same group		-	-	-
c.	Other related parties		-	-	-
II.	Other than Related Parties		946,559	12,586,379	13,532,939
Total			946,559	12,586,379	13,532,939
7	Investor group-wise calculations of all investment (current and longterm) in shares and securities (both quoted and unquoted) :				
A.	Category	Market Value/Breakup or fair value or NAV		Book Value (Net of Provisions)	
I.	Related Parties **		-	-	
a.	Subsidiaries		-	-	
b.	Companies in the same group		3,480,100	3,480,100	
c.	Other related parties		-	-	
II.	Other than Related Parties		2,798,437	-	
Total			6,278,537	3,480,100	
** As per Accounting Standard of ICAI					
B.	Other Informations				
Particulars			Amount		
i.	Gross Non-Performing Assets		-		
a.	Related Parties		-		
b.	Other than related parties		-		
ii.	Non-Performing Assets		-		
a.	Related Parties		-		
b.	Other than related parties		-		
iii.	Assets acquired in satisfaction of debt		-		

Notes :

- As defined in point xix of paragraph 3 of Chapter-2 of these directions.
- Provisioning norms shall be applicable as prescribed in these directions.

Note:50 Additional information as required under Schedule III of the Companies Act, 2013 Of Holding Company and Associates

Name of the Entity	As % of Consolidated Net Assets	Net Asset Amount	As % of Consolidated Profit or Loss	Profit or (Loss) after taxation
1. Holding Company Kothari World Finance Limited	99.22%	290,332,110	93.87%	34,913,970
2. Associates - Indian Companies International Health Care Products Limited ("IHCPL") Goldcoin Engineer Private Limited ("GEPL" - Associate of IHCPL) D Dahyabhai & Company Private Limited ("DDPL" - Associate of GEPL) Famous Commercial & Leasing Private Limited (Associate of DDPL)			0.68% 1.25% 4.19% 0.00%	253,738 464,169 1,559,084 1,182

Note 51 : Previous year previous GAAP figures have been regrouped / reclassified to make them comparable with IND AS presentation.

Note 52 : Recent pronouncements

On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021 i.e. for FY 2021-22. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

A. Balance sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc

B. Profit and Loss

- Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Note 53 : The Code on Social Security, 2020

The Code on Social Security 2020 ('Code') has been notified in the Official Gazette on 29th September, 2020. The Code is not yet effective and related rules are yet to be notified. Impact if any of the change will be assessed and recognized in the period in which said Code becomes effective and the rules framed thereunder are notified.

For V K Beswal & Associates
Chartered Accountants
ICAI Firm Registration No.: 131308W

Sd/-
CA Nishit S Agrawal
Partner
Membership No : 159882

For and on Behalf of Board of Directors

Sd/-
Liza Kothari
Managing Director
DIN No.: 01273272

Sd/-
Nitesh Kothari
Director
DIN No.: 00024195

Mumbai: Dtd. : 23-07-2021

BLANK PAGE

KOTHARI WORLD FINANCE LIMITED

Registered Office: C-121, Mittal Tower, 12th Floor, Nariman Point, Mumbai – 400021, Telephone: +91-22-22851620, Fax: +91-22-22871694,

Website: www.kothariworld.com, Email: info@kothariworld.com,

CIN No. U65993MH1985PLC035005.

ATTENDANCE SLIP

Venue of the meeting: C-121, Mittal Tower, 12th Floor, Nariman Point, Mumbai – 400021

Date & Time: Tuesday, 28th September, 2021 at 11.00 a.m.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

DP ID – Client ID/ Folio No.	
Name & Address of Sole Member	
Name of Joint Holder(s), If any (In Block Letters)	
No. of shares held	

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the 36th Annual General Meeting of the Company held on Tuesday, 28th September, 2021 at 11.00 a.m. at C-121, Mittal Tower, 12th Floor, Nariman Point, Mumbai – 400021.

**_____
Signature of Member / Proxy**

BLANK PAGE

KOTHARI WORLD FINANCE LIMITED

Registered Office: C-121, Mittal Tower, 12th Floor, Nariman Point, Mumbai – 400021, Telephone: +91-22-22851620, Fax: +91-22-22871694,
Website: www.kothariworld.com, Email: info@kothariworld.com,
CIN No. U65993MH1985PLC035005.

FORM MGT- 11 (FORM OF PROXY)

Venue of the meeting: **C-121, Mittal Tower, a12th Floor, Nariman Point, Mumbai – 400021**
 Date & Time: **Tuesday, 28th September, 2021 at 11.00 a.m.**

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

I/We _____ of _____ being member/members of **Kothari World Finance Limited** hereby appoint the following as my/our Proxy to attend vote (for me/our behalf at the 36th Annual General Meeting of the Company to be held on **Tuesday, 28th September, 2021 at 11.00 a.m.** and at any adjournment thereof).

1. Mr. / Mrs. _____ (Name & Signature of the Proxy) or failing him/her
2. Mr. / Mrs. _____ (Name & Signature of the Proxy) or failing him/her
3. Mr. / Mrs. _____ (Name & Signature of the Proxy) or failing him/her

****I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:**

Sl. No.	Resolution	For	Against
1.	To receive, consider, approve and adopt a. The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the reports of the Board of Directors and Auditors thereon; and b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2021 together with the report of the Auditors thereon.		
2.	Re-appointment of Mr. Nitesh Kothari, who retires by rotation and being eligible offers himself for re-appointment		
3.	Appointment of Mr. Manohar Mhatre (Din: 00024326) as director of the company whose term as an additional director expires at the ensuing annual general meeting		
4.	To make contributions or donations to charitable trusts		

KOTHARI WORLD FINANCE LIMITED

****This is optional.** Please put a tick mark (✓) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he /she should write "Abstain" across the boxes against the Resolution.

Signature(s) of the Member(s)

1. _____
2. _____
3. _____

Affix one
Rupee
Revenue
Stamp

Signed this _____ day of _____ 2021.

Notes:

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

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

