

34TH

ANNUAL REPORT

OF

**KAPIL RAJ FINANCE
LIMITED**

CORPORATE INFORMATION

Board of Directors

Pradip Shah	:	Whole Time Director
Bina Thakkar	:	Non Executive Director (<i>Appointed on April 20, 2019</i>)
Rohan Chandrakant	:	Non Executive Director (<i>Appointed on May 13, 2019</i>)
Miheer Doshi	:	Chief Financial Officer (<i>Appointed on April 30, 2019</i>) Whole Time Director (<i>Appointed on August 14, 2019</i>)
Komal Jain	:	Company Secretary (<i>Appointed on March 03, 2021</i>)
Umesh P. Parekh	:	Non Executive Director

Banker of the Company

HDFC Bank Ltd.

Registered Office

23, II" Floor, North West Avenue
Club Road, West Punjab Bagh,
New Delhi – 110026

Admin Office

204, Platinum Mall, Jawahar
Road
Ghatkopar (E), Mumbai -
400077

Registrar & Share Transfer Agent

M/s. Purva Share Registry (India) Pvt. Ltd.
Unit No. 9, Shiv Shakti Industrial Estate,
J .R. Boricha Marg, Opp. Kasturba Hospital Lane,
Lower Parel (E). Mumbai 400 011
Website: www.purvashare.com

CIN No-L65929DL1985PLC022788

Email Id: kapilrajfin@gmail.com

Web: www.kapilrajfinanceltd.com

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of KAPIL RAJ FINANCE LIMITED will be held on Wednesday, 29th September, 2021 at 12:00 P.M through Video Conferencing/other Audio Visual Means("VC/OAVM"):

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company, including the Audited Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss account for the year ended on that date, together with the report of the Board of Director's and Auditor's report thereon.
2. To re-appoint a Director, Ms. Gursharandeep Kaur (DIN: 09229810) who retires by rotation and being eligible, offers herself for re-appointment.
3. Appointment of Auditors

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions of the Companies Act, 2013 ("the Act") and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof) and pursuant to the recommendation of the Audit Committee and the Board of Directors, GAMS & Associates LLP, Chartered Accountants, having Firm Registration Number N500094 and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the Annual General Meeting to be held in 2026 and that the Board of Directors be and is hereby authorized to fix their remuneration."

RESOLVED FURTHER THAT the Board of Directors of the Company, including any Committee thereof, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution."

Special Business

Item no: 4 Appointment Mr Savraj Singh (DIN: 09207736) as an Independent Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr Savraj Singh (DIN: 09207736), who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and who is eligible for appointment, and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act signifying his intention to propose Mr Savraj Singh candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five consecutive years commencing from 19th June, 2021 to 18th June, 2026."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

Item no: 5 Regularization of Appointment of Director – GURSHARANDEEP KAUR

To Consider and if thought fit to pass with or without modifications the following resolution as Ordinary Resolution:-

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and as per the regulation of SEBI(LODR) Regulation 2015 and other applicable Law, Ms. GURSHARANDEEP KAUR (DIN: 09229810), who was appointed as Additional Director on 08th July, 2021 and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company liable to retire by rotation.

RESOLVED FURTHER THAT Directors/Company Secretary of the Company, be and is hereby severally authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid resolution.”

Date: 06th September, 2021
Place: Delhi

For KAPIL RAJ FINANCE LIMITED

SD/-
Santosh Rani
(Whole Time Director)
DIN: 09155303

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated 5 May 2020 read with circulars dated 8 April 2020 and 13 April 2020 (collectively referred to as 'MCA Circulars') and SEBI circular dated 12 May 2020 and circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12th May 2020 and January 15, 2021 respectively, issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), permitted the holding of the General Meeting ('AGM') through VC/OAVM facility, without the physical presence of the members at a common venue. In compliance with the provisions of the Companies Act, 2013 (the 'Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and MCA Circulars the thirty fifth AGM of the Company will be held through VC / OAVM

The facility for appointment of proxies will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

2. The relevant Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013, in respect of Special Business at the meeting, is annexed hereto and forms part of this notice.

3. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company located 23, II" Floor, North West Avenue, Club Road, West Punjab Bagh, New Delhi New Delhi which shall be the deemed venue of AGM.

4. Mr. Neeraj Jindal, has been appointed as the Scrutinizer to scrutinize the remote e-voting/e-voting process in a fair and transparent manner. The Scrutinizer will submit the report to the Chairman or any person authorised by him after completion of the scrutiny and the results of voting will be announced after the AGM of the Company. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the AGM

5. In compliance with the Circulars, copies of Annual Report for Financial Year 2020-21, the Notice of the AGM and instructions for remote e-voting/ e-voting are being sent in electronic mode to those Shareholders whose email addresses are registered with Registrar/ Depository Participant(s). The copy of Annual Report along with the Notice is also available on Company's website at www.kapilrajfinanceltd.com and on website of the Stock Exchange at www.bseindia.com and www.msei.in

6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the Meeting.

7. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours up to the date of the Meeting.

8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.

9. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

10. Members whose email addresses / Bank details are not registered/updated are requested to register/ update by contacting their respective Depository Participant(s).

11. As required under Listing Regulations and Secretarial Standards-2 on General Meetings details in respect of directors seeking reappointment at the AGM, is separately annexed. Directors seeking re-appointment have furnished requisite declarations under section 164(2) and other applicable provisions of the Companies Act, 2013 including rules framed thereunder.

12. The Register of Members of the Company shall remain closed from the Thursday, 23rd September, 2021 to Wednesday, 29th September, 2021 (both days inclusive).

13. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.

14. The cut-off date for the purpose of remote e-voting and voting at the AGM shall be Wednesday, 22nd September, 2021

15. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to

attend the e-AGM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company.

16. A Member desirous of getting any information on the accounts or operations of the Company is requested to forward his request to the Company at least 7 days prior to the Meeting so that the required information can be made available at the Meeting.

17. Instructions for attending the AGM through VC/OAVM:

1. Given the unprecedented current environment caused by the Covid-19 outbreak, social distancing norms are to be followed and pursuant to General Circular Nos.14/2020, 17/2020, 22/2020, 33/2020, 39/2020 dated 8th April 2020, 13th April 2020, 15th June 2020, 28th September, 2020 and 31st December, 2020 respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 12th May 2020 and January 15, 2021 respectively, issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the AGM of the Company is being conducted through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), which does not require physical presence of members at a common venue. The deemed venue for the AGM shall be the registered office of the Company.

2. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-Voting, for participation in the AGM through Video Conferencing Facility and e-Voting during the AGM.

3. Central Depositories Services Limited ("CDSL") will be providing facility for voting through remote eVoting, for participation in the AGM through VC/OAVM Facility and e-Voting during the AGM.

4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kapilrajfinanceltd.com. The Notice can also be accessed on the website of BSE Limited at www.bseindia.com and at Metropolitan Stock Exchange at www.msei.in and the AGM Notice is also available on the website of CDSL at www.evotingindia.com. (Agency for providing the Remote e-Voting facility).

5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

7. Since the present AGM is being held through VC/OAVM, Proxy form, Attendance Slip and Route map are not enclosed to the notice.

8. An explanatory Statement setting out details relating to the special business to be transacted at the AGM pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.

9. The Company has appointed M/s Neeraj Jindal & Associates, Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-Voting process in a fair and transparent manner.

10. All documents referred to the Notice and accompanying Explanatory Statement, are open for inspection at the Registered Office i.e., 23, IInd FLOOR, North West Avenue, Club Road, West Punjab bagh, New Delhi-110026 of the Company on all working days, excluding Saturday between 10.00 A.M to 5.00 P.M. up-to the date of the AGM.

11. The documents referred to the notice, will be available for inspection by the Members electronically during the AGM. Members seeking to inspect such documents may send an email to company at kapilrajfin@gmail.com, atleast 5 days in advance.

CDSL e-Voting System – For Remote e-voting and e-voting during AGM/AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM/AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM/AGM has been uploaded on the website of the Company at www.kapilrajfinancelttd.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and Metropolitan Stock Exchange at www.bseindia.com and www.msei.in respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

THE INSTRUCTIONS OF SHAREHOLDERS FOR REMOTE-VOTING AND E-VOTING DURING AGM/AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- (i) The voting period begins on 27th June, 2021 at 9.00 A.M and ends on 29th June, 2021 till 5.00 P.M During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 23rd June, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders holding in Demat form & physical shareholders.
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
 - 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
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- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) Facility for Non – Individual Shareholders and Custodians –Remote Voting
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz: kapilrajfin@gmail.com , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meeting through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cDSLindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cDSLindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT:

The following Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”)

ITEM NO 3

In terms of Section 139 of the Companies Act, 2013, M/s. Vinodchandra R Shah & Co., Chartered Accountants, has been appointed as Statutory Auditor of the Company in 30th Annual General Meeting up to the conclusion of 35th Annual General Meeting. Accordingly, term of M/s. Vinodchandra R Shah & Co, to hold office of Statutory Auditors of the Company, being ended at the conclusion of ensuing Annual General Meeting. Therefore, pursuant to Section 139 of the Companies Act, 2013 the Company is required to appoint Statutory Auditors of the Company in the 35th Annual General Meeting to hold office from conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting.

Retiring Statutory Auditor M/s. Vinodchandra R Shah & Co. have shown their unwillingness to be re-appointed for the further term of Five years. Therefore, Board has approached M/s R GAMS & Associates LLP, Chartered Accountants (Firm Registration No N500094) to be appointed as the Statutory Auditor of the Company for a term of Five years and has received their consent for the appointment. Further, Company has also obtained a written confirmation from M/s R GAMS & Associates LLP, proposed to be appointed, to the effect that their appointment, if made, would be within the limits prescribed.

Item No. 4

The Company received a notice from a Member under Section 160 of the Companies Act, 2013, signifying his intention to propose the candidature of Mr Savraj Singh (DIN: 09207736) for the office of Independent Director of the Company. The other details of Mr Savraj Singh in terms of Regulation 36(3) of the Listing Regulation and Secretarial Standard 2 is annexed to this Notice.

Mr. Shashi Singla is not related to any Director of the Company. In terms of proviso to sub-section (5) of Section 152, the Board of Directors is of the opinion that Mr Savraj Singh fulfils the conditions specified in the Act for his appointment as an Independent Director. After taking into consideration the recommendation of the Nomination & Remuneration Committee, the Board is of the opinion that Mr Savraj Singh knowledge and varied experience will be of great value to the Company and has recommended the Resolution at Item No 4 of this Notice relating to the appointment of Mr Savraj Singh as an “Independent Director”, not liable to retire by rotation for a period of five consecutive years w.e.f. 19th June, 2021 for the your approval.

Mr Savraj Singh has given a declaration to the Board that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations.

The Company has also received:- (i) the consent in writing to act as Director and (ii) intimation that he is not disqualified under section 164(2) of the Companies Act, 2013. (iii) a declaration to the effect that he is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI).

The copy of the draft letter of appointment of the Independent Director setting out the terms and conditions are available for inspection by members at the registered office of the Company.

Item No. 5

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company appointed Ms. GURSHARANDEEP KAUR (DIN: 09229810), as an Additional Director of the Company with effect from 19th June, 2021. Ms. GURSHARANDEEP KAUR, would hold office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Ms. GURSHARANDEEP KAUR for the office of Director of the Company.

Ms. GURSHARANDEEP KAUR is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

Ms. GURSHARANDEEP KAUR may be deemed to be concerned or interested, financially or otherwise, to the extent of her shareholding, if any in respect of her appointment as a Director.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders Ms. GURSHARANDEEP KAUR does not hold any shares of the Company.

Brief Resume of Directors/persons seeking appointment/ re-appointment/confirmation at this Annual General Meeting in pursuance of regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

Name of the Director	Mr. Savraj Singh
DIN	09207736
Date of Birth	05/06/1976
Date of Appointment	19.06.2021
Qualification	Mr Savraj Singh has done his Senior secondary education.
Expertise in specific functional area	Mr Savraj Singh is currently running his own business of financing. He has an experience of 20 years in the above mentioned business.
List of Public Companies in which outside Directorship held (including Foreign Companies)	Nil
Chairman/Member of the Committee of Board of Public Companies	Nil
No. of Shares Owned: a. Own b. For other persons on a beneficial basis	Nil

Name of the Director	Gursharandeep Kaur
DIN	09229810
Date of Birth	14/10/1997
Date of Appointment	08.07.2021
Qualification	Ms Gursharandeep Kaur has done her bachelor's in Arts
Expertise in specific functional area	Gursharandeep Kaur is provide the counselling to the student for the Visa purposes. She has an experience of 4years in the field
List of Public Companies in which outside Directorship held (including Foreign Companies)	Nil
Chairman/Member of the Committee of Board of Public Companies	Nil
No. of Shares Owned: c. Own d. For other persons on a beneficial basis	Nil

DIRECTORS' REPORT

To,
The Members
Kapil Raj Finance Limited

Your Directors have pleasure in presenting their 35th Annual Report and the Audited financial statement for the financial year ended March 31, 2021.

OPERATION AND FINANCIAL RESULTS:

The summary of operation and financial results of the company for the year with comparative figures for last year is as under:

Particulars	Standalone	
	2020-21 (Rs.)	2019-20 (Rs.)
Net Revenue from Operations	75,01,420	33,35,621
Other Income	26,76,054	33,16,135
Profit before Exceptional and Extra ordinary items and tax	568,2,753	5,95,758
Extra Ordinary Items		-
Profit after Exceptional and Extra ordinary items and tax	568,2,753	5,95,758
Profit before tax	568,2,753	5,95,758
Profit after tax	42,19,674	4,40,736
Amount Transferred to Reserves		-

REVIEW OF OPERATIONS AND FUTURE PROSPECTS:

The Overall Standalone Income has increased to Rs75,01,420 for the financial year ended 31 March, 2021 as compared to last year's Standalone total income of Rs. 33,35,621. The overall profit incurred by your Company in the current financial year has decreased to Rs 42,19,674 as compared to the profit of Rs. 440,736 in the previous financial year.

TRANSFER TO RESERVES:

The credit balance of Profit and Loss account is transferred to reserves in Balance sheet.

DIVIDEND:

Your Directors has decided to plough back the profit and therefore it was decided to not declare any dividend.

DIRECTORS:

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013, one-third of such of the Directors as are liable to retire by rotation shall retire every year and if eligible offer themselves for re-appointment at every Annual General Meeting. Consecutively, Ms Gursharandeep Kaur, Director will retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013.

Following are the Details of Directors on the Board of the Company:

Sr. No.	Name of Directors	DIN
1.	Umesh Pravinchandra Parekh	06827077
2.	Pradip Shah	08126828
3.	Bina Thakkar	08432753
4.	Rohan Padave Chandrakant	08443468
5.	Meehir Doshi	08536239

Further, during the year under review, following are the Key managerial Personnel in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Sr.No.	Name of Directors	DIN / PAN	DATE OF APPOINTMENT/RESIGNATION	DESIGNATION
1.	Pradip Shah	07798831	Appointed w.e.f 19/05/2018	Whole Time Director
2.	Meehir Doshi	08536239	Appointed w.e.f 14/08/2019	Whole Time Director
3.	Meehir Doshi	08536239	Appointed w.e.f 30/04/2019	Chief Financial Officer
4.	Komal jain	BZWPJ6579F	Appointed w.e.f 03/03/2021	Company Secretary
4.	Srishty Mehta	BNSPM6443H	Resigned w.e.f 03/03/2021	Company Secretary

DECLARATION BY INDEPENDENT DIRECTOR: (SECTION 134 (3)(D))

The Declaration by an Independent Director(s) that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is enclosed.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company and shall not be eligible for reappointment for next five years on passing of a special resolution by the Company.

PARTICULARS OF REMUNERATION OF DIRECTORS/KMP/EMPLOYEES

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy is in consonance with the existing practice in the Industry.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and as per SEBI (LODR), 2015, during the year under review, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance was distributed to each member of the Board and inputs were received. The performance evaluation of the Independent Directors who will be appointed at the ensuing Annual General Meeting was carried out by the entire Board. The performance evaluation of Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

SHARE CAPITAL:

During the year under review, the Company is having Authorized Share Capital comprises of 10,000,000 Equity Shares of Rs. 10/- each amounting to Rs. 100,000,000/-. Further, the Subscribed, Issued and Paid up Capital comprises of 5,140,000 Equity Shares of Rs.10/- amounting to Rs. 51,400,000/-. There is no change in the share capital of the Company during the year under review.

MANAGEMENT DISCUSSION AND ANALYSIS

A separate report on the Management Discussion and Analysis is attached as a separate part of this Annual Report.

CORPORATE GOVERNANCE

In accordance with SEBI (LODR) Regulations, 2015 as entered with the Stock Exchange and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes is as follows: At Kapil Raj Finance Limited, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders are playing very important role in our success, and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Courage. The corporate governance is an important tool for the protection of shareholder and maximization of their long term values. The objective of Corporate Governance is to achieve excellence in business thereby increasing stakeholders' worth in the long term which can be achieved keeping the interest of stakeholders' and comply with all rules, regulations and laws. The principal characteristics of Corporate Governance are Transparency, Independence, Accountability, Responsibility, Fairness, and Social Responsibility along with efficient performance and respecting interests of the stakeholders and the society as a whole.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on corporate governance is been founded on the fundamental ideologies of the group viz., Trust, Value and Service. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. On adopting corporate governance, the Company shall make a constant endeavor to achieve excellence in Corporate Governance on continuing basis by following the principles of transparency, accountability and integrity in functioning, so as to constantly striving to enhance value for all stakeholders and the society in general. As a good

corporate citizen, the Company will maintain sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success. We are making continuous efforts to adopt the best practices in corporate governance and we believe that the practices we are putting into place for the company shall go beyond adherence to regulatory framework. The Company's corporate governance philosophy has been further strengthened by adopting a Code of Fair Practice in accordance with the guidelines issued by Reserve Bank of India from time to time.

APPLICABILITY

As per the amendment made in the provisions of the Regulation 27 of SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015 with equity share capital of less than Rs 10 crores, (ii) companies having net worth not exceeding of Rs 25 crores, and (iii) companies listed on SME and SME-ITP platforms of the stock exchanges has to comply with the provision of SEBI (LODR) Regulation, 2015. Since the Paid Share Capital of the Company is below the Limit specified under the SEBI (LODR) Regulations, 2015, the provision / requirements of Corporate Governance as laid down under the SEBI (LODR) Regulations, 2015 is not applicable to the Company. However, the Company itself follows the standards of Corporate Governance, but the disclosures required to be done under Regulation 27 (2) of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement:

- i. That in the presentation of the annual accounts for the year ended March 31, 2021, applicable accounting standards have been followed and that there are no material departures;
- ii. That they have, in the selection of the accounting policies, consulted the statutory auditors and have 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 for the year ended March 31, 2021 and of the profit of the Company for the year ended on that date;
- iii. That they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. That the annual accounts have been prepared on a going concern basis.
- v. That internal financial controls followed by the Company are adequate and were operating effectively
- vi. That the systems to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any Holding/ Subsidiary/ Associate Company during the period under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Sr. no.	Particulars	Remarks
1	Energy conservation measures taken	NIL
2	Additional investments and proposals if any, being implemented for reduction of consumption of energy	NIL
3	Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	NIL
4	Total energy consumption and energy consumption per unit of production	NIL

FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

Sr. no.	Particulars	Remarks
A.	Power and fuel consumption	NIL
B.	Consumption per unit of production	NIL

TECHNOLOGY ABSORPTION

FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC.,

I Research and Development	: Nil
II Technology Absorption, Adaptation and Innovation	: Nil

FOREIGN EXCHANGE EARNINGS AND OUTGO

I. Earnings in Foreign Exchange during the year	: Nil
II. Foreign Exchange outgo during the year	: Nil

PARTICULARS OF EMPLOYEES

Particulars of employees as required to be disclosed in terms of Section 134 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are made available at the registered office of the Company.

CLARIFICATION FOR OBSERVATIONS AS REPORTED BY STATUTORY AUDITOR IN THEIR AUDIT REPORT

Pursuant to Section 139 of the Act, the observations of the Statutory Auditors, when read together with the relevant notes to the accounts and accounting policies are self-explanatory and do not calls for any further comment.

DEPOSITS

During the period under review, your Company has not accepted or invited any deposits from public.

SIGNIFICANT / MATERIAL ORDERS PASSED IMPACTING ON GOING CONCERN STATUS AND COMPANY'S OPERATIONS

There have been no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has made transactions which are within the limit of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The Board met 6(Six) times during the financial year. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The maximum interval between any two meetings did not exceed 120 days as prescribed under the Companies Act, 2013. None of the directors is a member in more than ten committees or acts as a Chairman in more than five committees across all companies in which he is a director.

The Composition of the Board and the number of directorships, memberships and chairmanship of committees as on March 31, 2021, are given below:

Name of the Directors	DIN	Designation / category	*No. of Directorship in Boards of other Co.	Committee Membership in all Companies	Chairmanship in committees where they are members
Bina Thakkar (Appointed w.e.f April 20, 2019)	08432753	Independent Director	Nil	NIL	NIL
Rohan Chandrakant (Appointed w.e.f May 13, 2019)	08443468	Independent Director	Nil	NIL	NIL
Meehir Doshi (Appointed w.e.f August 14, 2019)	08536239	Whole Time Director	Nil	NIL	NIL

Pradip Shah	08126828	Whole Time Director	Nil	NIL	NIL
Umesh Parikh	06827077	Non-Executive Director	1	NIL	NIL

NOTE:-

DETAILS OF RESIGNATION

1. NIL

DETAILS OF APPOINTMENT

NIL

BOARD MEETINGS AND ATTENDANCE

There were 8 Board Meeting held during the year and the same were held on

30/06/2020	05/09/2020	14/09/2020	28/10/2020	12/02/2021	03/03/2021

Name of director	No. of meetings held	No. of meetings Attended	Last AGM Attended
Umesh Pravinchandra Parekh	6	6	Yes
Pradip Shah	6	5	No
Bina Thakkar	6	6	Yes
Rohan Padave Chandrakant	6	6	No
Meehir Doshi	6	4	No

SECRETARIAL AUDITORS AND THEIR REPORT

Mr. Neeraj Jindal, Company Secretaries, was appointed as Secretarial Auditors of the Company for the financial year 2020-21. Pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as `Annexure A` and forms part of this report.

There are qualifications, observations and other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2020-21 which are self explanatory in nature except point no 2 .

Point no 2 of the qualification and remark is as below:

1. *The Company has not filed Form MGT 14 for approval of Financial Statements and Directors' Report.*

the management of the company is taking all the necessary actions to make good the non-compliance pointed by the secretarial auditor.

EXTRACT OF ANNUAL RETURN (MGT-9)

An extract of the Annual Return for the year ended March 31, 2021 as provided under sub-section (3) of Section 92 and prescribed under Rule 12 of Companies (Management & Administration) Rules, 2014 in Form MGT -9 is annexed herewith as Annexure II.

RELATED PARTIES TRANSACTIONS

All the transactions with related parties are in the ordinary course of business and on arm's length basis. The details of the transactions entered into between the Company and the related parties are mentioned in the financial statements of the Company.

BOARD COMMITTEES

The Company has the following Committees of the Board:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.kapilrajfinanceltd.com under investors/policy documents/Vigil Mechanism Policy link.

INTERNAL FINANCIAL CONTROL

The Company believes that internal control necessarily follows the principle of prudent business governance that freedom of management should be exercised within a framework of appropriate checks and balances. The Company remains committed to ensuring an effective internal control environment that inter alia provides assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company's independent and Internal Audit processes, both at the Business and Corporate levels, provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies and regulatory requirements.

The Financial Statements of the Company are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Board. These, in turn are supported by a set of divisional Delegation Manual & Standard Operating Procedures (SOPs) that have been established for individual units/ areas of operations.

The Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless the Company recognizes that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

RISK & MITIGATION

The Company has identified various risks faced by the Company from different areas. As per the provision of the Companies Act, 2013 and listing agreements, the, the Board had adopted a risks management policy whereby a proper framework is set up. Appropriate structures are present so that risks are inherently monitored and controlled. A combination of policies and procedures attempts to counter risks as and when they evolve.

COST AUDITORS

As the Company is operating in the service industry, cost audit is not applicable to the Company and hence no reporting is required.

DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

Number of Complaints received	:	NIL
Number of Complaints disposed of	:	NIL

INDUSTRIAL RELATIONS:

The company maintained healthy, cordial and harmonious industrial relations at all levels, the enthusiasm and unstinting efforts of employees have enabled the company to remain at the leadership position in the industry it has taken various steps to improve productivity across organization.

ACKNOWLEDGEMENT

Your Directors wish to acknowledge all their stakeholders and are grateful for the excellent support received from the shareholders, Bankers, Financial Institutions, Government authorities, esteemed corporate clients, customers and other business associates. Your Directors recognize and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the growth of the Company in a very challenging environment.

Date: 06th September, 2021
Place: Delhi

For KAPIL RAJ FINANCE LIMITED

SD/-

Santosh Rani
(Whole Time
Director)
DIN: 09155303

ANNEXURE A

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Kapil Raj Finance Limited
23, IInd Floor, North West Avenue
Club Road, West Punjab Bagh
New Delhi New Delhi-110026

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kapil Raj Finance Limited (CIN: L65929DL1985PLC022788) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Kapil Raj Finance Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kapil Raj Finance Limited for the financial year ended on 31st March, 2021 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - **(During the period under review, the Company has not entered into any transaction requiring compliances with the Foreign Exchange Management Act, 1999 and rules made thereunder)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - b) During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009)**
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(During the period under review, the Company has not entered into any transaction requiring compliances with the Securities**

and Exchange Board of India (Buyback of Securities) Regulations, 1998)

- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 2015

OTHER APPLICABLE LAWS:

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable to the Company

1. Income Tax Act, 1961 and Indirect Tax Laws

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

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

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

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

2. *The overall revenue earned by the Company during the financial year ended March 31, 2021 was from financial activities. As per the provision of Section 45I of Reserve Bank of India Act, 1934 and Reserve Bank of India Press Release 1998-99/1269 dated April 08, 1999, a company would be identified as a Non – Banking Financial Company if its financial assets are more than 50 percent of its total assets (netted off by intangible assets) and income from financial assets are more than 50 percent of the gross income. The Company has filed the application with the RBI for getting registered as Non Banking Finance Company (NBFC) and the same is pending for approval.*
3. *The Company has not filed Form MGT 14 for approval of Financial Statements and Directors' Report.*
4. *There were certain instance wherein the Company have delayed in filing the returns / disclosures with Registrar of Companies, Delhi and the Company has paid additional fees for the same.*

Other Matters

Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by management through digital means.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report

**For Neeraj Jindal & Associates
Company Secretaries**

**Date: 07.09.2021
Place: Chandigarh.**

**CS. Neeraj Jindal
M.No. F8270
CP. No. 9056
UDIN: F008270C000916958**

Annexure A

To,
The Members,
Kapil Raj Finance Limited
23, IInd Floor, North West Avenue
Club Road, West Punjab Bagh
New Delhi New Delhi-110026

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

***For Neeraj Jindal & Associates
Company Secretaries***

***Date: 07.09.2021
Place: Chandigarh.***

***CS. Neeraj Jindal
M.No. F8270
CP. No. 9056
UDIN: F008270C000916958***

Annexure – I
FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NOT REQUIRED AS THERE ARE NO TRANSACTIONS FALLING UNDER THIS SECTION
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

Annexure II

DIRECTORS' REPORT (CONTD) ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT-9 EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31st, 2021

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

I. REGISTRATION AND OTHER DETAILS

Sl. No.	Particulars	Details
1.	Corporate Identification Number	L65929DL1985PLC022788
2.	Registration Date	13/12/1985
3	Name of the Company	KAPIL RAJ FINANCE LIMITED
4	Category / Sub-Category of the Company	PUBLIC COMPANY LIMITED BY SHARES
5	Address of the Registered office and contact details	23, II" Floor, North West Avenue, Club Road, West Punjab Bagh, New Delhi New Delhi New Delhi DL 110026 IN
5	Address of the Corporate office	204/Platinum Mall Opp. Ghatkopar Railway Station, Ghatkopar East Mumbai 400077 MH
6	Whether listed company	YES
7.	Name, Address and contract details of the Registrar and Transfer Agent, if any	M/s. Purva SharRegistry (India) Pvt. Ltd. Unit No. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E). Mumbai 400 011 Website: www.purvashare.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

As per Attachment A

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

As per Attachment B

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS % OF TOTAL EQUITY)

i) Category-wise Share Holding	As per Attachment C
ii) Shareholding of Promoters	As per Attachment D
iii) Change in Promoters' Shareholding (Specify if there is no change)	As per Attachment E
iv) Shareholding Pattern of top ten Shareholders (other than Directors, and Promoters and holders of GDRs and ADRs)	As per Attachment F
v) Shareholding of Directors and Key Managerial Personnel	As per Attachment G

V. INDEBTEDNESS

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

As per Attachment H

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A. Remuneration to Managing Director, Whole-time Directors and/or Manager **As per attachment I**
B. Remuneration to other directors **As per Attachment J**
C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD **As per Attachment K**
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES **As per Attachment L**

ATTACHMENT A

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are given below:

Sl. No.	Name and Description of main products/services	NIC Code of the product/service *	% to total turnover of the company #
1.	Financial and insurance Service	6719	100%

* As per National Industrial Classification – Ministry of Statistics and Programme Implementation
On the basis of Gross Turnover

ATTACHMENT B

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name of Company	Address of Company	CIN/GLN	Holding / Subsidiary /Associate	% of Shares held*	Applicable Section
			NIL			

ATTACHMENT C

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

i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF		0				0			0.00
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corporate	200000	0	200000	3.89%	0	0	0	0.00	-3.89
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (A) (1)	200000	0	200000	3.89%		0			0.00
(2) Foreign									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+ (A)(2)	200000	0	200000	3.89%		0			0.00
B PUBLIC SHAREHOLDING									
1 Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00		0			
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00

f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others specify MARKET MAKER	0	0	0	0.00	0	0	0	0.00	0.00
SUB - TOTAL (B) (1)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-institutions									
a) Bodies Corporate									
i) Indian	30935	0	30935	0.60%	339328	0	339328	6.60	6.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals	0	0	0	0.00	0	0	0	0.00	0.00
I) Individual shareholders holding nominal share capital up to Rs. 1 lakh	923841	31194	955035	18.58%	691960	31194	723154	14.07	-4.51
II) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	3225594	45906	3271500	63.65%	3367795	45906	3413701	66.41	2.77
c) Others specify									
HUF	465174	16000	481174	9.36	141841	16000	157841	3.07	-6.29
NRI	6300	0	6300	0.12	6300	0	6300	0.12	0.00
Clearing Members	56	0	56	0.00	304676	0	304676	5.93	5.93
LLP	195000	0	195000	3.79	195000	0	195000	3.79	0.00
SUB - TOTAL (B) (2)	4846900	93100	4940000	96.11	5046900	93100	5140000	100	3.89
TOTAL PUBLIC SHAREHOLDING (B) = (B)(1) + (B)(2)	4846900	93100	4940000	96.11	5046900	93100	5140000	100	3.89
C. SHARES HELD BY CUSTODIAN FOR GDRS& ADRS	5046900	93100	5140000	100	0	0	0	0.00	0.00
GRANDTOTAL (A+B+C) 1	5046900	93100	5140000	100	5046900	93100	5140000	100	0

ATTACHMENT D

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1.	BELAZIO REAL ESTATE PRIVATE LIMITED	200000	3.89	0	nil			-3.89
	Total	200000	3.89	0				

ATTACHMENT E

(iii) Change in Promoters' Shareholding

Sl. No.	Name	Shareholding at the beginning of the year (As on 01-04-2020 at the end of the year 31.03.2021)		Date	Increase / Decrease in Promoters Shareholding	Reason	Cumulative Shareholding at the beginning of the year (As on 01-04-2020)/ at the end of the year 31.03.2021	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	BELAZIO REAL ESTATE PRIVATE LIMITED	200000	3.89	06.11.2020	-50000	sell	150000	

				29.01.2021	-25000	sell	125000	
				19.02.2021	-125000	sell	0	

ATTACHMENT F

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

Sl. No.	For Each of the top ten Shareholders	Shareholding at the beginning of the Year 01.04.2020/ at the end of the year 31.03.2021		Shareholding during the year (01-04-20 to 31-03-21)			Cumulative Shareholding during the year (01-04-20 to 31-03-21)	
		No. of Shares	% of total Shares of the company	Date	Increase/ Decrease In Shareholding	Reason	No. of Shares	% of total Shares of the company
1.	Bindu Dinesh Shah	318500	6.20	31.03.2021	-150000	sell	168500	3.28
		168500	3.28	31.03.2021				
2.	Dinesh Manilal Shah	289503	5.63	31.03.2021	-150000	sell	139503	2.71
3.	Pinkline Financial Consultants LLP	195000	3.79				195000	3.79
4.	Hari Bhachubhai Mujat	165000	3.21	19.03.2021	-55000	sell	110000	2.14
				26.03.2021	-10000	sell	100000	1.95
		100000	1.95	31.03.2021				
5.	Rasik Morarji Savla (HUF)	160000	3.11	12.03.2021	-160000	sell	0	0
6.	Vinod Morarji Savla (HUF)	160000	3.11	12.03.2021	-160000	sell	0	0
7.	Sanjeev Burman Jhaveri	158000	3.07	16.10.2021	-158000	sell	0	0
8.	Krunal Jayesh Kuwadia	141776	2.76	18.12.2020	-25000	sell	116776	2.27
				29.01.2021	-15000	sell	101776	1.98
				05.02.2021	-84776	sell	17000	0.33
				12.02.2021	-17000	sell	0	0
9.	Deepak Parsharam Salvi	141075	2.74	09.10.2020	-50	sell	141025	2.74
		141025	2.74	31.03.2021				
10.	Khimji Dharamshi Arethiya	135000	2.63	29.01.2021	-35000	sell	100000	1.95
				05.02.2021	-25000	sell	75000	1.46
				19.03.2021	-15000	sell	60000	1.17
		60000	1.17	31.03.2021				
11.	Kotak Securities Limited	0	0	21-08-2020	1270	buy	1270	0.02
				28-08-2020	-1270	sell	0	0.00
				25-09-2020	81	buy	81	0.00
				30-09-2020	-81	sell	0	0.00
				30-10-2020	1	buy	1	0.00
				13-11-2020	-1	sell	0	0.00
				12-02-2021	15949	buy	15949	0.31
				19-02-2021	-15949	sell	0	0.00
		31-03-2021	300000	buy	300000	5.84		
12.	Ranjeet Singh	0	0	24-12-2020	79374	BUY	79374	1.54
				15-01-2021	-79374	sell	0	0.00
				26-02-2021	125000	BUY	125000	2.43
				05-03-2021	25000	BUY	150000	2.92
				12-03-2021	847	BUY	150847	2.93
				19-03-2021	99153	BUY	250000	4.86
		250000	4.86	31.03.2021				
13.	Rita Kishor Bhimjiyani	0	0	21-08-2020	13860	Buy	13860	0.27
				28-08-2020	3900	Buy	17760	0.35

				04-09-2020	25649	Buy	43409	0.84
				11-09-2020	-43409	Sell	0	0.00
				30-09-2020	8401	Buy	8401	0.16
				02-10-2020	-8401	Sell	0	0.00
				06-11-2020	295	Buy	295	0.01
				13-11-2020	2152	Buy	2447	0.05
				27-11-2020	23981	Buy	26428	0.51
				04-12-2020	10	Buy	26438	0.51
				15-01-2021	-26438	Sell	0	0.00
				05-02-2021	5051	Buy	5051	0.10
				12-02-2021	60693	Buy	65744	1.28
				26-02-2021	27987	Buy	93731	1.82
				05-03-2021	59741	Buy	153472	2.99
				19-03-2021	91528	Buy	245000	4.77
		245000	4.77	31-03-2021				
14	Nisha Singh			29-01-2021	25000	Buy	25000	0.49
				05-02-2021	51000	Buy	76000	1.48
				12-02-2021	50000	Buy	126000	2.45
				19-02-2021	503	Buy	126503	2.46
				26-02-2021	64500	Buy	191003	3.72
				05-03-2021	-22000	Sell	169003	3.29
				19-03-2021	74997	Buy	244000	4.75
				26-03-2021	-1400	Sell	242600	4.72
		242600	4.72	31-03-2021				
15	Amisha Yadav	0	0	26-02-2021	89000	Buy	89000	1.73
				05-03-2021	22000	Buy	111000	2.16
				19-03-2021	50000	Buy	161000	3.13
				26-03-2021	19500	Buy	180500	3.51
		180500	3.51	31-03-2021				
16	Suraj Panchal	0	0	05-02-2021	49000	Buy	49000	0.95
				12-02-2021	50000	Buy	99000	1.93
				19-02-2021	42110	Buy	141110	2.75
				26-02-2021	8000	Buy	149110	2.90
				26-03-2021	25000	Buy	174110	3.39
		174110	3.39	31-03-2021				
17	Kothari Trade Investments Private Limited	0	0	29-01-2021	14319	Buy	14319	0.28
				05-02-2021	56471	Buy	70790	1.38
				12-02-2021	75000	Buy	145790	2.84
				19-02-2021	4210	Buy	150000	2.92
				19-03-2021	3240	Buy	153240	2.98
		153240	2.98	31-03-2021				
18	Investeria Commodities Private Limited			15-01-2021	79469	Buy	79469	1.55
				22-01-2021	55338	Buy	134807	2.62
				05-02-2021	-57339	Sell	77468	1.51
				12-02-2021	-6188	Sell	71280	1.39
				19-02-2021	78583	Buy	149863	2.92
		149863	2.92	31-03-2021				

DIRECTORS' REPORT (CONTD)

ATTACHMENT G

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the Year 01.04.2020/ end of the year 31.03.2021		Shareholding during the year (01-04-2020 to 31-03-2021)			Cumulative Shareholding during the year (01-04-2020 to 31-03-2021)	
		No. of Shares	% of total Shares of the	Date	Increase/ Decrease In Sharehold	Reason	No. of Shares	% of total Shares of the
1.	SHYAM SINGH (Managing Director)	30763	0.60	06.11.2020	-30763	sell	0	
2.	PRADIP PANACHAND SHAH (Whole Time Director)							
3.	UMESH PRAVINCHANDRA PAREKH (Non Executive Director)							
4.	HIRANKUMAR KRISHNA MUKHERJEE (Non Executive Director)							
5.	CHANDRIKA JOSHI (Company Secretary)							

ATTACHMENT H

V. INDEBTENDNESS

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

	<i>Amount (INR)</i>			
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2020)				
i) Principal Amount	0	400000		400000
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
TOTAL (i+ii+iii)	0	400000		
Change in Indebtedness during the financial year				
Addition	0	2994000		2994000
Reduction	0	0		0
Net Change	0	2994000		2994000
Indebtedness at the end of the financial year (31.03.2021)				
i) Principal Amount	0	3394000		3394000
ii) Interest due but not paid -	0	0		0
iii) Interest accrued but not due	0	0		0
TOTAL (i+ii+iii)	0	3394000		3394000

ATTACHMENT I

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			
		Mihir Doshi			Total Amount in Rs.
1.	Gross salary	275000			275000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961				
	(b) Value of perquisite u/s 17(2) of the Income Tax 1961	0			0
	(c) Profits in lieu of Salary under Section 17(3) of the Income-tax Act, 1961	0			0
2.	Stock Option	0			0
3.	Sweat Equity	0			0
4.	Commission - as % of profit - as others, specify	0			0
5	Others, please specify	0			0
	TOTAL (A)	275000			275000
	Ceiling as per the Act	(Remuneration as per the provisions of Section II, Table A of Schedule V of the Companies Act, 2013 approved by members)			

ATTACHMENT J

B. Remuneration to other Directors: NIL

Sl. No.	Particulars of Remuneration	Name of Directors				
						(Amt. in Rs.) Total Amount
1.	Independent Directors					
	Fee for attending board / committee meetings		0.00	0.00	0.00	0.00
	Commission		0.00	0.00	0.00	0.00
	Others, please specify		0.00	0.00	0.00	0.00
	TOTAL (1)		0.00	0.00	0.00	0.00
2.	Other Non-Executive Directors					
	Fee for attending board / committee meetings		0.00	0.00	0.00	0.00
	Commission		0.00	0.00	0.00	0.00
	Others, please specify		0.00	0.00	0.00	0.00
	TOTAL (2)		0.00	0.00	0.00	0.00
	TOTAL (B)=(1+2)		0			
	TOTAL MANAGERIAL REMUNERATION*		0			
	Overall Ceiling as per the Act					

* Total remuneration to Managing Director, Whole-Time Directors and other Directors (being the total of A and B).

ATTACHMENT K

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

Sl. No.	Particulars of Remuneration	COMPANY SECRETARY Komal Jain	Company Secretary Srishty Mehta	Amount in Rs. Total Amount
1.	Gross salary	14000	154000	168000
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961			
	(b) Value of perquisites u/s 17 (2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961			
2.	Stock Option			
3.	Sweat Equity			
4.	Commission - as % of profit - others			
5.	Others – please specify Bonus Ex Gratia Incentive			
	Total	14000	154000	168000

ATTACHMENT L

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

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

CORPORATE GOVERNANCE

ADDITIONAL INFORMATION TO BE PROVIDED AS PER SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2nd September, 2015 notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1st December, 2015 and repealed the erstwhile Listing Regulations with the stock exchanges.

This Report, therefore, states compliance as per the requirements of the Companies Act, 2013, SEBI Listing Regulations, 2015 as applicable to the Company.

Given below are the Company's corporate governance policies and practices for financial year 2020-21. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations, 2015.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that good corporate governance is fundamental to the enhancement of the value of the Company and its long term growth. Based on the core principles of fairness, transparency and accountability, the Company strives to maintain a high standard of corporate governance through the establishment of a comprehensive and efficient framework of policies, procedures and systems and the promotion of a responsible corporate culture.

AS PER SEBI (LODR) REGULATIONS, 2015, OF SCHEDULE V: ANNUAL REPORT, FOLLOWING ADDITIONAL DISCLOSURE (PARA A AND F) OF SCHEDULE V IS AS FOLLOWS:

PARA A: DISCLOSURE AS PER SEBI (LODR), REGULATIONS, 2015 IN RESPECT TO RELATED PARTY TRANSACTIONS

SR. NO.	IN THE ACCOUNTS OF	DISCLOSURES OF AMOUNTS AT THE YEAR END AND THE MAXIMUM AMOUNT OF LOANS/ ADVANCES/ INVESTMENTS OUTSTANDING DURING THE YEAR.	REMARKS
1.	Holding Company	<input type="checkbox"/> Loans and advances in the nature of loans to subsidiaries by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to associates by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	N.A.
2.	Subsidiary	Loans and advances in the nature of loans to holding company by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to associates by name and amount. Loans and advances in the nature of loans to Firms / companies in which directors are interested by name and amount.	N.A.
3.	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	N.A.

MANAGEMENT DISCUSSION AND ANALYSIS

Forward – Looking Statements:

This Report contains forward – Looking Statements. Any, statement that address expectations or projections about the future, including but not limited to statements about the Company's strategy and growth, product development, market position, expenditures and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future growth. The Company cannot guarantee that these assumptions are accurate and will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on basis of any subsequent developments, information or events.

Outlook:

The Company is mainly engaged in the business of financing and investment in bodies corporate in order to yield greater revenue for its stakeholders. The Company is planning to expand and diversify the operational activities in the coming years ahead in order to tap higher revenues.

Risk and Concerns:

Due to stiff competitions in the finance field where the company's activities are centered in, the overall margins are always under pressure, but maintainable with the constant effort and good services rendered by the company.

Internal Control Systems and their Adequacy:

An Audit Committee of the Board of Directors of the Company has been constituted as per provisions of the Companies Act, 2013 and SEBI (LODR), 2015.

The Internal Audit Function is looked after internally by the finance and accounts department, and reviewed by the audit committee and the management at the regular intervals.

The Internal Auditors Reports dealing with Internal Control Systems are considered by the Audit Committee and appropriate actions are taken, whichever necessary.

Analysis of Financial Conditions and Results of Operations:

The Financial Statements have been prepared in accordance with the requirements of the Act, Indian Generally Accepted Principles (Indian GAAP) and the Accounting Standards as prescribed by the Institute of Chartered Accountants of India.

The Management believes that it has been objective and prudent in making estimates and judgments relating to the Financial Statements and confirms that these Financial Statements are a true and fair representation of the Company's Operations for the period under review.

Development on Human Resource Front:

Our human resources are critical to our success and carrying forward our mission. With their sustained, determined and able work efforts we were able to cruise smoothly through the hard time of the economic volatility and rapidly changing market conditions.

The requirement of the markets given the economic scenario has made this even more challenging. Attracting newer talent with the drive, training and upgrading existing skill sets and getting all to move in an unified direction will definitely be task in the company.

Plans to execute the mandate on this count are already underway and we should see it impacting the results from the third quarter of the next financial year.

By creating conducive environment for career growth, company is trying to achieve the maximum utilization of employee's skills in the most possible way.

There is need and the company is focused on retaining and bringing in talent keeping in mind the ambitious plans despite the market and industry scenario.

The company also believes in recognizing and rewarding employees to boost their morale and enable to achieve their maximum potential. The need to have a change in the management style of the company is one of the key focus areas this year.

Industrial Relations:

Industrial Relations throughout the year continued to remain very cordial and satisfactory.

F. DISCLOSURE AS PER SEBI (LODR), REGULATIONS, 2015 IN RESPECT DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT

The listed entity need to disclose the following details and as long as there are shares in the demat suspense account or unclaimed suspense account:

SR.NO.	PARTICULARS	REMARKS
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL
3.	Number of shareholders to whom shares were transferred from suspense account during the year	NIL
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL
5.	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	NIL

Date: 06th September, 2021

Place: Delhi

For KAPIL RAJ FINANCE LIMITED

SD/-

Santosh Rani
(Whole Time Director)
DIN: 09155303

INDEPENDENT AUDITOR'S REPORT

To the Members of KAPIL RAJ FINANCE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Kapil Raj Finance Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss, Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit/loss, Changes in Equity and its cash flows for the year ended on that date.

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.

EMPHASIS OF MATTER

We draw your attention to Note 27 of the Standalone Financial Statements, which describes that based on current indicators of future economic conditions, the company expects to recover carrying amount of all its assets and revenue recognized and hence no material adjustment is required in the Financial Statements. The impact of COVID-19 pandemic may be different from that estimated as at the date of approval of these Financial Statements and the company will continue to monitor any material changes to future economic condition. Our opinion is not modified in respect of these matters.

Further, the company carries on Financial Activities and hence by the guidelines issued by the Reserve Bank of India, the company complies to be a Non-Banking Financial Company (NBFC). This requires the company to get itself registered with the Reserve Bank of India as a NBFC and as per the representation of the management the company is in the process of getting itself registered for the same.

Other Matters

Due to COVID-19 pandemic and the lockdown and other restrictions imposed by the Government and local administration, the audit processes were carried out based on the remote access to the extent available/feasible and necessary records made available by management through digital means.

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. These 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. There were no Key Audit Matters during the year under Audit.

Responsibilities of Management for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i)

planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) On the basis of the written representations received from the Directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For Vinodchandra R Shah & Co.

Chartered Accountants

FRN 115394W

Uday V Shah

Partner

M. No. 035626

Delhi

Dated: 29.06.2021

UDIN: 21035626AAAOL1064

“ANNEXURE A” TO THE INDEPENDENT AUDITORS’ REPORT

The Annexure referred to in Our Report of even date to the members of **Kapil Raj Finance Limited** on the accounts of the company for the year ended March 31, 2021. On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

i. In respect of its Fixed Assets:

- a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) No disposal of a substantial part of fixed assets of the Company has taken place during the year.
- ii. There were no inventories at the end of the financial year.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- iv. In our opinion and according to the information and explanations provided to us, provisions of section 185 and 186 of the Act and in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied by the Company.
- v. The company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the Rules framed there under.
- vi. The Central Government has not prescribed the maintenance of cost records under subsection (1) of Section 148 of the Act for the business carried out by the Company. Accordingly, paragraph 3 (vi) of the order is not applicable.
- vii. According to the information and explanations given to us the Company has not delayed in depositing undisputed statutory dues including Income Tax and other statutory dues with the appropriate authorities.
- viii. In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government. There were no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 2013 and rule made there under.
- ix. In our opinion and according to the information and explanations provided by the management, the Company has utilized the monies raised by way of debt instruments and term loans for the purposes for which they were raised.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and according to the information and explanations provided by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

- xi. The Managerial Remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and, not commented upon.
- xv. According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act.
- xvi. In our opinion, the Company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and the Company is in the process of getting itself registered.

For Vinodchandra R Shah & Co.
Chartered Accountants
FRN 115394W

Uday V Shah
Partner
M. No. 035626
Delhi
Dated: 29.06.2021
UDIN: 21035626AAAAOL1064

“ANNEXURE B” TO THE AUDITOR’S REPORT

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

We have audited the internal financial controls over financial reporting of KAPIL RAJ FINANCE LIMITED (“The Company”) as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vinodchandra R Shah & Co.
Chartered Accountants
FRN 115394W

Uday V Shah
Partner
M. No. 035626

Delhi
Dated:29.06.2021
UDIN: 21035626AAAAOL1064

KAPIL RAJ FINANCE LIMITED
STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

	Particulars	Notes	As at 31st March, 2021	As at 31st March, 2020
A	ASSETS			
1	Non current assets			
	(a) Property, Plant and Equipment	3	3,315	6,589
	(b) Financial Assets:			
	(i) Loans	4	4,21,03,969	4,60,01,919
	(j) Deferred tax assets (net)	10	414	414
	Total Non Current Assets		4,21,07,698	4,60,08,922
2	Current assets			
	(a) Financial Assets			
	(i) Investments	5	2,50,00,000	1,47,00,000
	(ii) Cash and cash equivalents	6	7,63,789	7,13,141
	(b) Other current assets	7	4,18,501	33,03,793
	Total Current Assets		2,61,82,290	1,87,16,934
	TOTAL - ASSETS		6,82,89,988	6,47,25,856
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share capital	8	5,14,00,000	5,14,00,000
	(b) Other Equity	9	1,15,17,291	72,97,617
	Total Equity		6,29,17,291	5,86,97,617
2	LIABILITIES			
	Non current liabilities			
	(a) Deferred tax liabilities (Net)	10	-	-
	Total Non Current Liabilities		-	-
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	33,94,000	4,00,000
	(ii) Trade payables	12	1,32,719	51,43,853
	(b) Other current liabilities	13	3,82,899	3,29,275
	(c) Current tax liabilities (net)	14	14,63,080	1,55,111
	Total Current Liabilities		53,72,698	60,28,239
	Total Liabilities		53,72,698	60,28,239
	Total Equity and Liabilities		6,82,89,988	6,47,25,856

(0.50)

For Vinodchandra R Shah & Co.

Chartered Accountants
Firm Reg. No. 115394W

Uday V. Shah

Partner
M.No.: 035626

Place: Mumbai
Date: 29.06.2021

UDIN:- 21035626AAAAOL1064

**SANTOSH
RANI**
DIN:09155303

SHASHI SINGLA
DIN:-06919225

Komal Jain
Company Secretary

KAPIL RAJ FINANCE LIMITED
STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

	NOTES	For the Year ended March 31, 2021	For the Year ended March 31, 2020
INCOME			
Revenue from Operations	15	75,01,420	33,35,621
Other Income	16	26,76,054	33,16,135
TOTAL INCOME		1,01,77,474	66,51,756
EXPENSES			
Employee Benefit Expenses	17	29,65,313	47,09,203
Depreciation and Amortization Expenses	19	3,274	6,541
Other Expenses	20	15,26,134	13,40,254
TOTAL EXPENSES		44,94,721	60,55,998
Profit before Exceptional items and tax		56,82,753	5,95,758
Exceptional items		-	-
Profit/(Loss) Before Tax		56,82,753	5,95,758
Tax Expenses			
Current Tax	22	14,63,079	1,55,110
Deferred Tax	22	-	(89)
		14,63,079	1,55,022
Profit for the Year		42,19,674	4,40,736
Other Comprehensive Income		-	-
Total Comprehensive Income		42,19,674	4,40,736
Earning per Equity Share			
Basic	21	0.82	0.09
Diluted		0.82	0.09
Significant Accounting Policies			

The Notes referred to above are from an integral part of these financial statements.
This is the Statement of Profit and Loss referred to in our report of even date.

For Vinodchandra R Shah & Co.
Chartered Accountants
Firm Reg. No. 115394W

Uday V. Shah
Partner
M.No.: 035626

SANTOSH RANI
DIN:09155303

SHASHI SINGLA
DIN: 06919225

Place: Mumbai
Date: 29.06.2021

Komal Jain
Company Secretary

UDIN:- 21035626AAAAOL1064

KAPIL RAJ FINANCE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Indirect Method Cash Flow Statement	For The Year Ended March 31, 2021	For The Year Ended March 31, 2020
<u>Cash Flows From Operating Activities</u>		
Net Profit Before Tax	56,82,753	5,95,758
Adjustments For Non Cash Item		
Depreciation	3,274	6,541
Operating Profit/(Loss) Before Working Capital Changes:	56,86,027	6,02,299
<u>Changes in Working Capital:</u>		
<u>Adjustments for (Increase)/ Decrease in Operating Assets</u>		
Other Current Assets	28,85,292	22,42,318
<u>Adjustments for Increase/(Decrease) in Operating Liabilities:</u>		
Other Current Liabilities	53,624	1,59,550
Trade Payable	(50,11,134)	(27,10,761)
Current Liabilities (Tax)	13,07,969	
Cash generated from Operating Activity	(7,64,249)	(3,08,892)
Income Tax Paid (Net)	(14,63,079)	(1,20,937)
Net Cash Flow From /(used in) Operating Activities (A)	34,58,699	1,72,470
<u>Cash Flow From Investing Activities</u>		
Purchase of Investment	(1,03,00,000)	-
(Increase)/Decrease in Investments in Investment property	-	-
(Increase)/Decrease in Investments	-	-
Net cash from/(used in) Investing Activities (B)	(1,03,00,000)	-
<u>Cash Flow from Financing Activities:</u>		
Proceeds from borrowings	29,94,000	-
Repayment of borrowings	38,97,950	-
Net cash from/(used in) Financing Activities (C)	68,91,950	-
Net (Decrease)/Increase in Cash and Cash Equivalents(A+B+C)	50,648	1,72,470
Cash and Bank Balances at the beginning of the year	7,13,141	5,40,672
Cash and Bank Balances at the end of the year	7,63,790	7,13,141
Closing Cash and Bank Balance shown in Balance sheet		
Bank Balance	7,63,789	7,13,141
Cash Balance	41,507	2,36,112

For Vinodchandra R. Shah & Co.
Chartered Accountants
Firm Reg. No. 115394W

For and on behalf of the Board of Directors

Uday V. Shah
Partner
M.No.: 035626

SANTOSH RANI
DIN:09155303

SHASHI SINGLA
DIN:-06919225

Place: Mumbai
Date: 29.06.2021

Komal Jain
Company Secretary

UDIN:-21035626AAAAOL1064

KAPIL RAJ FINANCE LIMITED

Statement of changes in equity for the year ended March 31, 2021

a. Equity share capital	Amount (₹)
Balance at March 31, 2019	5,14,00,000
Changes in equity share capital during the year	-
Balance at March 31, 2020	5,14,00,000
Changes in equity share capital during the year	-
Balance at March 31, 2021	5,14,00,000

b. Other Equity

Particulars	Reserves and surplus	
	Retained earnings	Total
Balance at March 31, 2017	39,10,089	39,10,089
Profit for the year	24,33,590	24,33,590
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the year	24,33,590	24,33,590
Balance at March 31, 2018	63,43,678	63,43,678
Profit for the year	4,40,736	4,40,736
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the year	4,40,736	4,40,736
Balance at March 31, 2019	67,84,414	67,84,414
Profit for the year	42,19,674	42,19,674
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the year	42,19,674	42,19,674
Balance at March 31, 2020	1,10,04,088	1,10,04,088
Profit for the year	42,19,674	42,19,674
Other comprehensive income for the year, net of income tax	-	-
Total comprehensive income for the year	42,19,674	42,19,674
Balance at March 31, 2021	1,52,23,762	1,52,23,762

KAPIL RAJ FINANCE LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued

1 GENERAL INFORMATION

The financial statements of the Company have been prepared to comply with the Indian Accounting Standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. Amounts in financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III. Per share data are presented in Indian Rupees to two decimals places.

2 SIGNIFICANT ACCOUNTING POLICIES

i) Basis of Preparation and Presentation

The separate 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

For financial reporting purposes, fair value measurements 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:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- 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
- Level 3 inputs are unobservable inputs for the asset or liability

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products/activities of the Company and the normal time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non current .

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

ii) Functional and Presentation Currency

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

iii) Property, Plant and Equipment

Property, Plant and Equipment are to be stated at cost of acquisition, less accumulated depreciation and accumulated impairment losses, if any. The cost will comprises purchase price (excluding refundable taxes), borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are to be deducted in arriving at the purchase price. Freehold land not to be depreciated.

Subsequent expenditures related to an item of property, plant and equipment are to be added to its carrying value only when it is probable that the future economic benefits from the asset will flow to the Company & cost can be reliably measured.

Losses arising from the retirement of, and gains or losses arising from disposal of property, plant and equipment are to be recognised in the statement of profit and loss.

Depreciation on property, plant and equipment to be provided on straight line method as per the useful life prescribed in Schedule II to the Companies Act 2013.

The estimated useful lives, residual values and depreciation method are to be reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

iv) Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their use are to be carried at cost, comprising direct cost, related incidental expenses and attributable interest.

v) Investment property

Investment properties are properties to be held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are to be measured in accordance with Ind AS 16's requirements for cost model.

An investment property is to be 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 derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is to be included in profit or loss in the period in which the property is derecognised.

v) Intangible Assets

Intangible assets, being computer software, are to be stated at acquisition cost, net of accumulated amortisation and accumulated impairment losses, if any. The cost will comprise acquisition and implementation cost of software for internal use (including software coding, installation, testing and certain data conversion).

Amortisation is to be recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are to be reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis

Gains or losses arising from the retirement or disposal of an intangible asset are to be determined as the difference between the disposal proceeds and the carrying amount of the asset and are to be recognised as income or expense in the Statement of Profit and Loss.

vi) Intangible assets under development

Expenditure on development eligible for capitalisation is to be carried as intangible assets under development where such assets are not yet ready for their intended use.

vii) Impairment of Assets

The Company has to assess at end of each reporting period whether there is any indication that an asset may be impaired. If any such indication exists, the Company has to estimate the recoverable amount of the asset. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is to be reduced to its recoverable amount. The reduction is to be treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is to be reassessed and the asset is reflected at the lower of recoverable amount and the carrying amount that would have been determined had no impairment loss been recognised.

viii) Financial instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instruments. 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 fair value through profit or loss) 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 fair value through profit or loss are recognised immediately in profit or loss.

ix) Financial assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Classification:

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are subsequently measured at fair value.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

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

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Impairment of financial assets

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, loan commitments, trade receivables, financial guarantees not designated as at FVTPL and other contractual rights to receive cash or other financial asset.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss ("ECL") allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

Foreign exchange gains and losses

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. A substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

x) Earnings per share

Basic Earnings per share are calculated by dividing the net profit / (loss) after tax for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

xi) Provisions and Contingent Liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

xii) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable.

Sale of Services:

Income from services is recognised as and when the services are performed and accrued on time basis.

a)

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to

b) the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

xiii) Foreign Currency Transactions

In preparing the financial statements of the Company entity, transactions in currencies other than the company's functional currency viz. Indian Rupee are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

xiv) Lease accounting

Operating Leases

Leases, where the lessor retains, substantially all the risks and rewards incidental to ownership of the leased assets, are classified as operating lease. Operating lease expense / income are recognized in the statement of profit and loss on a straight-line basis over the lease term.

xv) Taxes on Income

Tax expense for the period, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the period. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

xvi) Cash and Cash Equivalents

In the cash flow statement, cash and cash equivalents includes cash on hand, cheques, drafts on hand, balances in current accounts with banks, other bank deposits with original maturities of three months or less.

xvii) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use or sale, are added to the cost of those assets; until such time as the assets are substantially ready for their intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

xviii) Segment Reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenue and incur expenses, whose operating results are regularly reviewed by the Company's chief operating decision maker in order to effectively allocate the Company's resources and assess performance.

KAPIL RAJ FINANCE LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST
MARCH, 2021 - Continued

3 : Property, Plant and Equipment

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at	Additions	As at	As at	For the	As at	As at	As at
	31.03.2020	(Deletion)	31.03.2021	31.03.2020	Year	31.03.2021	31.03.2021	31.03.2020
Computers	1,17,602	-	1,17,602	1,11,013	3,274	1,14,287	3,315	6,589
Total	1,17,602	-	1,17,602	1,11,013	3,274	1,14,287	3,315	6,589
<i>Previous Year</i>	<i>1,17,602</i>	<i>-</i>	<i>1,17,602</i>	<i>1,04,472</i>	<i>6,541</i>	<i>1,11,013</i>	<i>6,589</i>	<i>13,130</i>

KAPIL RAJ FINANCE LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued

	As at March 31, 2021	As at March 31, 2020
4: LONG TERM LOANS AND ADVANCES Unsecured, Considered Good unless stated otherwise (Receivable in Cash or Kind or for the value to be received)		
Advance Tax (Net of Provision for Income taxes)	5,74,292	5,05,012
Loans & advances - Others	4,03,29,677	4,42,96,907
Capital Advances	12,00,000	12,00,000
Advances against property	-	-
Total	4,21,03,969	4,60,01,919

	As at March 31, 2021	As at March 31, 2020
5: Non Current Investments Trade Investments		
Investments in Equity Instruments:- 1470000 equity shares of Rs. 10/- each in Matte Multitrade Limited	2,50,00,000	1,47,00,000
Total	2,50,00,000	1,47,00,000

	As at March 31, 2021	As at March 31, 2020
6: CASH AND BANK BALANCES		
Cash on hand	41,507	2,36,112
<u>Balance with Bank</u> in Current Account	7,22,282	4,77,029
Total of Cash and Bank Balances	7,63,789	7,13,141

	As at March 31, 2021	As at March 31, 2020
7: OTHER CURRENT ASSETS Unsecured, Considered Good unless stated otherwise		
Balance with Revenue Authorities	2,89,602	-
Prarambh Securities Pvt. Ltd (Profit Sharing)	93,899	32,68,793
Other Deposits	35,000	35,000
Total of other Current Assets	4,18,501	33,03,793

KAPIL RAJ FINANCE LIMITED**STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued**

	As at March 31, 2021	As at March 31, 2020
8: SHARE CAPITAL		
<u>Authorised Capital</u> 1,00,00,000 (1,00,00,000) Equity shares of Rs.10 each	10,00,00,000	10,00,00,000
<u>Issued Subscribed and Paid up Capital</u> 51,40,000 (51,40,000) Equity shares of Rs.10 each fully paid up for cash at par	5,14,00,000	5,14,00,000
Total of Issued Subscribed and Paid-up Share Capital	5,14,00,000	5,14,00,000

A. Reconciliation Of Shares Outstanding at Beginning and at the end of reporting period

Equity Shares of Rs. 10 Each fully paid	As at March 31, 2021		As at March 31, 2020	
	No of Share		No of Share	
At the beginning of the Year		5,14,00,000		5,14,00,000
Issued during the Year	51,40,000	-	51,40,000	-
			-	-
Outstanding at the end of the Year	51,40,000	5,14,00,000	51,40,000	5,14,00,000

B. Details of shareholders holding more than 5% equity shares of the Company

Equity Shares Of Rs. 10 Each fully paid	As at March 31, 2021		As at March 31, 2020	
	No of Share	% Holding	No of Share	% Holding
1.Bindu Dinesh Shah	-	0.00%	3,18,500	6.20%
2.Dinesh Manilal Shah	-	0.00%	2,89,503	5.63%
3 KOTAK SECURITIES LIMITED	3,00,000	5.84%		

C. Terms / Right attached to equity shares

The company has only one class of shares having a par value of `10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all the preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

	As at March 31, 2021	As at March 31, 2020
9: Other Equity		
Retained Earnings		
Balance at the beginning of the year	72,97,617	68,56,881
Add: Profit for the year	42,19,674	4,40,736
Total	1,15,17,291	72,97,617

10. Deferred tax balances

The following is the analysis of deferred tax assets/(liabilities) presented in the balance sheet:

Particulars	As at March 31, 2021	As at March 31, 2020
Deferred tax assets	-	414
Deferred tax liabilities	-	-
Net	-	414

Movement in Deferred Tax balances

Particulars	As at April 1, 2020	Charge / (Credit) to P&L A/c	As at March 31, 2021
Deferred Tax Liability			
Property, Plant & Equipment	414	414	-
Total	414	414	-

KAPIL RAJ FINANCE LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued

	As at March 31, 2021	As at March 31, 2020
11: SHORT TERM BORROWINGS		
- Loans repayable on demand from other than Banks - Unsecured	33,94,000	4,00,000
Total	33,94,000	4,00,000

	As at March 31, 2021	As at March 31, 2020
12: TRADE PAYABLES		
Trade payables (other than due to Micro & Small Enterprises)	1,32,719	51,43,853
Total	1,32,719	51,43,853

	As at March 31, 2021	As at March 31, 2020
13: OTHER CURRENT LIABILITIES		
<u>Other Payables:</u>		
Statutory remittances	1,61,749	47,335
Others	2,21,150	2,81,940
Total	3,82,899	3,29,275

14. Tax assets and liabilities	As at	As at
Particulars	March 31, 2021	March 31, 2020
Tax assets		
Benefit of tax losses to be carried back to recover taxes paid in prior periods	-	-
Tax receivable	-	-
	-	-
Tax liabilities		
Income tax payable	14,63,079	1,53,410
	14,63,079	1,53,410

KAPIL RAJ FINANCE LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued

	For the year ended March 31, 2021	For the year ended March 31, 2020
15: REVENUE FROM OPERATIONS		
Income From Profit Sharing	75,01,420	33,35,621
Total	75,01,420	33,35,621

	For the year ended March 31, 2021	For the year ended March 31, 2020
16: OTHER INCOME		
Interest on long-term loans & advances	23,61,075	32,63,614
Interest on Income Tax Refund	20,330	52,521
Discount Received	649	-
Profit on sale of Investments	2,94,000	-
Total	26,76,054	33,16,135

	For the year ended March 31, 2021	For the year ended March 31, 2020
17: EMPLOYEE BENEFIT EXPENSES		
Salary & Wages	27,47,600	45,16,600
Staff Welfare Expenses	2,17,713	1,92,603
Total	29,65,313	47,09,203

	For the year ended March 31, 2021	For the year ended March 31, 2020
19: Depreciation and amortisation expense		
Depreciation of property, plant and equipment pertaining to continuing operations	3,274	6,541
Total	3,274	6,541

KAPIL RAJ FINANCE LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020 - Continued

	For the year ended March 31, 2021 `	For the year ended March 31, 2020 `
20: Other Expenses		
Listing Fees	4,57,250	4,18,900
Rent Paid	3,60,000	3,45,000
Professional Fees	2,52,600	1,61,831
Payment to Auditors: Statutory Audit		
i) For Audit	88,500	1,12,100
ii) As Reimbursement	-	-
CDSL / NSDL Custodian Charges	26,550	53,100
Advertisement Expense	-	98,280
Travelling & Conveyance Charges	94,410	69,715
Rates & Taxes	27,400	31,475
Communication Charges	18,000	24,813
Printing and Stationery	82,905	20,965
Interest/Fines/Penalties	1,18,224	1,778
Bank Charges	295	1,696
Repairs & Maintenance	-	601
Total	15,26,134	13,40,254

KAPIL RAJ FINANCE LIMITED

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued

21: EARNINGS PER SHARE			
Details of Earning per Share as per IND AS-33 are given as under.			
I. BASIC EPS			
Particulars	Unit	As at March 31, 2021	As at March 31, 2020
a. Profit after taxation for the year		42,19,674	4,41,934
b. Weighted average number of Equity Shares used in computing Basic EPS	Nos.	51,40,000	51,40,000
c. Basic EPS (per share of ` 10 each)		0.82	0.09
II. DILUTED EPS			
Particulars	Unit	As at March 31, 2021	As at March 31, 2020
a. Profit after taxation for the year		42,19,674	4,41,934
b. Weighted average number of Equity Shares used in computing Diluted EPS	Nos.	51,40,000	51,40,000
c. Diluted EPS (per share of ` 10 each)		0.82	0.09

22: INCOME TAX RECOGNISED IN PROFIT OR LOSS

Particulars	As at March 31, 2021	As at March 31, 2020
Current tax		
In respect of the current year	14,63,079	1,53,410
In respect of prior years	-	-
	14,63,079	1,53,410
Deferred tax		
In respect of the current year	-	414
In respect of the previous year	-	-
	-	414
Total income tax expense recognised in the current year relating to	14,63,079	1,53,824

23: OTHER NOTES

i. Segregation between current and non current financial liabilities /assets as at end of current and previous reporting periods have been done on an estimated basis in certain cases due to non availability of precise data.

ii. The information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 are not disclosed, as the information is not available with the company to identify such transaction with such parties, and hence could not be determined.

iii. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

KAPIL RAJ FINANCE LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 - Continued

24 Financial instruments

Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the company consists of equity of the Company (comprising issued capital, security premium reserve and retained earnings as detailed in notes 9 to 10).

Categories of financial instruments

Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets		
<u>Measured at Amortised Cost</u>		
a) Cash and bank balances	7,63,789	7,13,141
b) Trade receivables	-	-
c) Other financial assets	4,18,501	33,03,793
d) Loan and advances	4,03,29,677	4,42,96,907
Financial liabilities		
<u>Measured at Amortised Cost</u>		
a) Trade payables	1,32,719	51,43,853

Financial risk management objectives

The company monitors and manages the financial risks to the operations of the company. These risks include credit risk and liquidity risk.

Credit risk management

Based on the Company's monitoring of customer credit risk, the company believes that no impairment allowance is necessary in respect of trade receivables that are not past due or past due but not more than one year.

Liquidity risk management

Liquidity Risk Management implies maintenance of sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit lines to meet obligations when due. The company manages liquidity risk by maintaining adequate funds, by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Liquidity risk tables

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the rate applicable as of March 31, 2019 and March 31, 2020 respectively has been considered. The contractual maturity is based on the earliest date on which the Company may be required to pay.

Maturities of Financial Liabilities	(In Rs.)				Total
	March 31, 2021				
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above	
Trade Payables	(46,99,215)	48,31,934	-	-	1,32,719
	(46,99,215)	48,31,934	-	-	1,32,719
Maturities of Financial Assets	(In Rs.)				Total
	March 31, 2020				
	Upto 1 year	1 to 3 years	3 to 5 years	5 years & above	
Trade Payables	22,680	78,31,934	-	-	78,54,614
	22,680	78,31,934	-	-	78,54,614

25. Related Party Disclosures

As per Ind AS, the disclosures of transactions with the Related Parties are given below:

(i) List of Related Parties where control exists and also other Related Parties with whom transactions have taken place and relationships:

Sr No	Name of Related Party	Relationship
1	Pradip Panachand Shah	Key Managerial Personnel
2	Atul Doshi	Key Managerial Personnel
3	Mihir Doshi	Key Managerial Personnel
4	Rohan Padave Chandrakant	Key Managerial Personnel
5	Bina Sachin Thakkar	Key Managerial Personnel
6	Umesh Pravinchandra Parekh	Key Managerial Personnel
7	Komal Jain	Key Managerial Personnel
8	Srishty Mehta (upto feb 2021)	Key Managerial Personnel
9	Matte Multitrade Limited	Associate Company
10	Belazio Real Estate Private Limited	Common Control

(ii) Transactions during the year with Related Parties:

Nature of Transactions	31.03.2021	31.03.2020
Interest Income		
Matte Multitrade Limited(upto 28.02.2021)	19,72,636.00	10,61,778.00
Directors' Remuneration		
Mihir Doshi	2,75,000.00	2,75,000.00
Komal Jain	14,000.00	45,000.00
Srishty Mehta (upto feb 2021)	1,54,000.00	49,000.00
Outstanding Loan given		
Matte Multitrade Limited	-	2,09,55,600.00
Investment		
Matte Multitrade Limited	-	1,47,00,000.00

KAPIL RAJ FINANCE LIMITED
STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021 -
Continued

26. Income Tax expense

Amounts recognised in profit and loss

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current income tax	14,63,079	1,53,410
Deferred tax	-	414
Tax expense for the year	14,63,079	1,53,824

Income tax expenses for the year can be reconciled to the accounting profit as follows:

	For the year ended March 31, 2021	For the year ended March 31, 2021
Profit before tax	56,82,753	5,95,758
Applicable tax rate	20.00%	20.00%
Computed tax expense	11,36,551	1,19,152
Tax effect of:		
Exempted income	-	-
Expenses disallowed	-	-
Current Tax Provision (A)	14,63,079	1,53,410
Deferred Tax Provision (B)	-	414
Tax Expenses recognised in Statement of Profit and Loss (A+B)	14,63,079	1,53,824
Effective Tax rate	25.75%	25.82%

27. Impact of COVID-19

The COVID-19 pandemic has severely disrupted business operations due to global lockdown and other emergency measures imposed by the various governments. The operations of the Company were impacted due to the shutdown of offices following the nationwide lockdown. The Company commenced with its operations in a phased manner in line with the directives from the authorities.

The Company has evaluated the impact of this pandemic on its business operations, liquidity and the recoverability and carrying values of its assets including trade receivables and loans as at the Balance Sheet date and based on the management's review of current indicators and economic conditions there is no material impact on the profit for the year ended 31st March,2021.

For Vinodchandra R. Shah & Co.

Chartered Accountants
 Firm Reg. No. 115394W

Uday V. Shah

Partner
 M.No.: 035626

Place: Mumbai
 Date: 29.06.2021

UDIN:-21035626AAAAOL1064

**For and on behalf of the Board of
 Directors**

SANTOSH RANI
 DIN:09155303

SHASHI SINGLA
 DIN:-06919225

Komal Jain
 Company Secretary

