
K I D U J A

INDIA LIMITED

38th Annual Report
2023-2024

MANAGEMENT DISCUSSION AND ANALYSIS

Company Information

Kiduja India Limited (“the Company”) is a Non-Banking Finance Company “NBFC” registered with the Reserve Bank of India as a Non-systematically Important, Non-deposit taking NBFC, classified as Investment Credit Company, under Base Layer.

Opportunities and Threats

Since, the Company is solely dependent on investment, market shift in global market due to war-like situations and global economic crisis has created threats to the Company. The Company has taken borrowings from the market and other group companies for the revival of the Company. As on 31st March 2024 the outstanding borrowings including interest are 14,03,571.92 thousand. However, under the able guidance of Mr. Ashish D. Jaipuria, Chairman and Managing Director of the Company also the promoter of the Company, it is expected to repay the loan on time and reduce financial risks.

Segment Wise Performance

The Company’s business activity falls within a single business segment i.e. Investment and dealing in Shares and Securities. More detailed information on the business and financial performance of the Company is covered in the Board’s Report which is a part of this integrated annual report.

Risk and Concerns

The Company is exposed to specific risks which are peculiar to its business and the environment within which it operates including economic cycle, market risk and credit risks. Managing risk effectively also helps in achieving the desired outcome, while fixing responsibility and accountability. The Company especially focuses on improving sensitivity to assessment of risks and improving methods of computation of risk weights and capital charges. The risk assessment and mitigation procedure are reviewed by the Board periodically.

Internal Control System and their Adequacy

The Company has an effective internal control system, commensurate with its size and nature to ensure smooth business operations, in order to provide reasonable assurance that all assets are safeguarded and protected from any kind of loss or misuse, transactions are authorized, recorded, and reported properly and that all applicable statutes and corporate policies are duly complied with.

Discussion on Financial Performance with respect to Operational Performance

Total profit after tax for the financial year ended on 31st March 2024 stood at Rs.3,39,402.91 thousand as against loss of Rs. 66,088.85 thousand for the previous financial year ended on 31st March 2023.

Human Resources

The Company believes that employees are key to achieve the Company’s objectives and strategies. The Company provides to its employees a fair and equitable work environment and support from their peers with a view to develop their capabilities leaving them with the freedom to act and to take responsibilities for the task assigned. They provide employees outstanding career development opportunities and reward to the staff for their good performance and loyalty to the organization.

Industrial Relations front, including number of people employed

As on 31st March 2024, the permanent employees of the Company were only 7 persons, since ours is a Small Company, we face no issues on the Industrial Relations front. The Company believes that it has good and healthy relations amongst its employees.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios:

- Debtors Turnover – N.A.
- Inventory Turnover – N.A.
- Interest Coverage Ratio – N.A.
- Current Ratio – N.A.
- Debt Equity Ratio – N.A.
- Operating Profit Margin (%) – N.A.
- Net Profit Margin (%) – N.A.

Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

During the year under review the net worth of your Company was negative and as such it is not possible to compute the Return on Net Worth. However, for FY 2023-24 your Company has made a profit of Rs.3,39,402.91 thousand and for the preceding year FY 2022-23 your Company had incurred a loss of Rs.66,088.85 thousand.

Cautionary Statement

Statement in Management Discussion and Analysis may be forward looking within the meaning of applicable securities laws and regulations. Many factors may affect the actual results, which could be different from what the Directors envisage in terms of future performance and outlook. The Company assumes no responsibilities in respect of the forward-looking statements herein, which may undergo changes in future on the basis of subsequent developments, information, or events.

BOARD'S REPORT

To,
The Members of
KIDUJA INDIA LIMITED

Your Directors have pleasure in presenting the 38th Annual Report of Kiduja India Limited ("the Company") on the business and operations for the Financial Year ended 31st March 2024.

1. **Business Overview / State of Company's affairs**

Kiduja India Limited is an India-focused Investments Company (NBFC) specialising in investment and dealing in shares and securities listed on the various Indian Stock Exchanges. During the year under review, the Company has made profit of Rs.3,39,402.91 thousand.

2. **Financial Performance**

The Financial performance of the Company for the financial year ended 31st March 2024 is summarized below:

Particulars	(Rs. in '000s)	
	Financial Year 2023-24	Financial Year 2022-23
Revenue from Operations	4,50,268.71	-
Other Income	-	-
Total Revenue	4,50,268.71	-
Less: Expenses	1,10,865.80	66,088.85
Profit / (Loss) before Tax & Exceptional Item	3,39,402.91	(66,088.85)
Exceptional item	-	-
Profit / (Loss) before Tax	3,39,402.91	(66,088.85)
Less: Tax Expenses	-	-
Profit / (Loss) after Tax	3,39,402.91	(66,088.85)
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	3,39,402.91	(66,088.85)

The Company made a profit of Rs.3,39,402.91 thousand during the FY 23-24 as against a loss of Rs. 66,088.85 thousand during the FY 22-23.

3. **Dividend**

To fuel the aggressive investment growth plans in the near future, we need to conserve the financial resources of your Company. Therefore, the Directors do not recommend any dividend.

4. **Transfer to Reserves**

No amount is proposed to be transferred to the General Reserve during the year under review.

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

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

6. **Revision of Financial Statements**

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

7. **Deposits**

The Company has not accepted any deposits within the directives issued by the Reserve Bank of India (RBI) and under Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the year ended 31st March 2024 and accordingly, no amounts on account of principal or interest on public deposits were outstanding as on 31st March 2024.

8. **Directors and Key Managerial Personnel**

Mr. Ashish D. Jaipuria was re-appointed as the Managing Director and Chairman of the Company for a term of 5 years with effect from 01st July 2023.

There were no changes in the composition of the Board of Directors during the year under review.

As on 31st March 2024, the Board of the Company comprises of the following 6 (Six) Directors:

Sr. No.	Name	DIN	Designation
1	Mr. Ashish D. Jaipuria	00025537	Chairman and Managing Director
2	Mrs. Archana A. Jaipuria*	00025586	Non-Executive Woman Director
3	Mr. Ujval A. Jaipuria	09262693	Non-Executive Director
4	Mr. Kushal A. Jaipuria	09262684	Non-Executive Director
5	Mr. Samir Sanghai	02469690	Independent Director
6	Mr. Vivek Tekriwal	05343775	Independent Director

**In terms of Section 152(6) of the Act read with the Articles of Association of the Company, Mrs. Archana A. Jaipuria, Director being longest in office, shall retire by rotation and being eligible has offered herself for re-appointment at the ensuing Annual General Meeting of the Company.*

The appointment of Mrs. Archana A. Jaipuria, liable to retire by rotation, as Non-Executive Woman Director of the Company forms part of the notice of the forthcoming Annual General Meeting and the resolution is recommended for Members' approval. A brief profile of Mrs. Archana A. Jaipuria has also been included in the notice convening the ensuing Annual General Meeting of the Company.

Based on the declarations and confirmations received in terms of the provisions of Section 164 of the Companies Act 2013 none of the Directors on the Board of your Company are disqualified / debarred from securities market nor from being appointed / continued as Directors.

Pursuant to the provisions of Section 203 of Companies Act, 2013, Mr. Sanjay Nawal has been appointed as the Chief Financial Officer (Key Managerial Personnel), w.e.f. 03rd April 2023 as on the date of this Report.

Further, after the closure of the financial year, CS Pooja M. Chavan (ACS - 40098) resigned from the post of Company Secretary & Compliance Officer and a Key Managerial Personnel of the Company with effect from closing of business hours of 06th June 2024.

9. Statement on Declaration given by Independent Directors

In terms of Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 every individual who is appointed as Independent Director or who intends to get appointed as an Independent Director needs to apply to the institute for inclusion of his name in the data bank.

In this regard, declarations were received from Mr. Samir Sanghai and Mr. Vivek Tekriwal, Independent Directors of the Company confirming that they meet the criteria of independence as specified in Section 149(6) and Section 149(7) of the Companies Act, 2013.

The Board of the Company also confirms its overall satisfaction on the integrity, expertise, and experience of the Independent Directors of the Company.

10. Annual Evaluation of the performance of the Board, its committees and of Individual Directors

The Board of Directors at their Meeting held on 01st April 2024 carried out the annual evaluation of its own performance as well as the evaluation of the working of its committees and individual Directors, including Chairman of the Board for the Financial Year 2023-24 and expressed its satisfaction as to their performance.

This exercise was carried out through a structured questionnaire prepared separately for Board, Committees, and individual Directors. The questionnaire for Board evaluation was prepared taking into consideration various aspects of the Board's functioning such as adequacy of the composition and role of the Board, Board meeting and reporting process, effectiveness of strategies, risk management systems, external relationships, ethics, and governance framework. Committee performance was evaluated on the basis of its composition and effectiveness of committee meetings, etc.

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

In a separate meeting of the Independent Directors, the performance of Non-Independent Directors, the Board as a whole and of the Chairman was evaluated, considering the views of

Executive Director and Non-Executive Directors. Performance evaluation of both the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated.

- 11. Significant and Material Orders passed by the Regulators or Courts or Tribunals**
There were no significant material orders passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.
- 12. Material Changes and Commitments affecting the Financial Position of the Company**
There were no material changes and commitments, which would affect financial position of the Company from the end of the financial year of the Company to which the financial statements relate and the date of the director's report.
- 13. Change in nature of business, if any**
During the year under review, there has been no change in the nature of the business of the Company.
- 14. Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange Earnings & Outgo**
- **Conservation of Energy**
As required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the Company has taken necessary steps in minimizing the usage of energy to the extent possible to reduce the cost of energy.
 - **Research & Development and Technology Absorption**
Since the Company is in the business of Financial Investments and dealing in Shares and Securities, provisions of Research & Development and Technology Absorption are not applicable to the Company.
 - **Foreign Exchange Earnings and Outgo**
The Company has no foreign exchange earnings and outgo.
- 15. Particulars of Employees pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**
A statement giving particulars of employees pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed to this Report as **Annexure A** appended hereto and forms part of this report.
- 16. Board Meetings**
The Board generally meets 5-8 times during the year. All the meetings are conducted as per designed and structured agenda. All agenda items are backed by necessary supporting information and documents to enable the board to take informed decisions. Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent in advance.

The Company held a minimum of one Board meeting in every quarter with a gap not exceeding 120 days between two board meetings. During the year ended 31st March 2024, 11 (Eleven) Board Meetings were held, the details of which is as under:

Board Meetings held during the Year:

Sr. No.	Dates on which the Board Meetings were held	Total Strength of the Board	No of Directors Present
1	03.04.2023	6	6
2	30.05.2023	6	6
3	24.07.2023	6	6
4	10.08.2023	6	6
5	23.08.2023	6	6
6	13.11.2023	6	6
7	16.11.2023	6	6
8	09.01.2024	6	6
9	02.02.2024	6	6
10	16.03.2024	6	6
11	28.03.2024	6	6

Attendance of Directors at Board Meetings and Annual General Meeting:

Name of the Director	Attendance at the Board Meetings held on											AGM held on	EGM held on
	1	2	3	4	5	6	7	8	9	10	11	28.09.2023	16.12.2023
Mr. Ashish D. Jaipuria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Archana A. Jaipuria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ujval A. Jaipuria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Kushal A. Jaipuria	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Samir Sanghai	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Vivek Tekriwal	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

17. Share Capital

As on 31st March 2024, the Authorised Share Capital of the Company is Rs.2,40,00,000 divided into 24,00,000 Equity Shares of Rs.10/- each and the Subscribed and Paid-up Share Capital of the Company is Rs.2,00,00,000 divided into 20,00,000 Equity Shares of Rs.10/- each.

During the year under review, the Authorised Share Capital of the Company was increased from Rs.1,75,00,000 divided into 17,50,000 Equity Shares of Rs.10/- each to Rs.2,40,00,000 divided into 24,00,000 Equity Shares of Rs.10/-

During the year under review, the Company had issued 6,85,000 Convertible Equity Warrants of Rs.100 each on preferential basis to person belonging to Promoter and Promoter group pursuant to the approval granted by the Board of Directors and Shareholders at their respective meetings held on 16th November 2023 and 16th December 2023. These warrants were convertible at the option of warrant holders in one or more tranches, within 18 months from the date of allotment, into equal number of fully paid-up Equity Shares of the Company of Rs.10/- each.

Further, the Company had received approval dated 04th March 2024 from SEBI condoning delay of one day in making application for in-principle approval for allotment of warrants in compliance with Regulation 160(f) of SEBI (Issue of Capital and Disclosure Requirements) Regulation 2018.

The Board at its meeting held on 16th March 2024 allotted 6,85,000 Convertible Equity Warrants to Mr. Ashish D. Jaipuria, Mr. Ujval A. Jaipuria and Mr. Kushal A. Jaipuria.

The Company has received applications from the share warrants holders for conversion of 2,85,000 Equity Convertible Warrants into Equity shares. Accordingly, 2,85,000 equity shares of Rs.10/- each were allotted on 28th March 2024 on conversion of share warrants as per details given below:

Sr. No.	Name of the Promoter	Pre 1 st Conversion holding	No. of Convertible Equity Warrants held	No. of Convertible Equity Warrants converted into Equity Shares	No. of Equity Shares held post preferential issue
1	Mr. Ashish D. Jaipuria	11,15,000	2,05,000	5,000	11,20,000
2	Mr. Ujval A. Jaipuria	0	2,40,000	1,40,000	1,40,000
3	Mr. Kushal A. Jaipuria	0	2,40,000	1,40,000	1,40,000

The Company received Listing Approval and Trading Approval for the above-mentioned Equity Shares from BSE on 21st May 2024 and 24th May 2024 respectively.

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

Mr. Ashish D. Jaipuria, Managing Director of the Company holds 11,20,000 (56%); Mr. Ujval A. Jaipuria, Director of the Company holds 1,40,000 (7%) & Mr. Kushal A. Jaipuria, Director of the Company holds 1,40,000 (7%) Equity Shares of the Company as on 31st March 2024.

After the closure of financial year, the Company has received an application from the equity convertible warrant holders for conversion of 4,00,000 equity convertible warrants into Equity Shares. Accordingly, 4,00,000 equity shares of Rs.10/- each were allotted on 20th June 2024 on conversion of share warrants as per details given below:

Sr. No.	Name of the Promoter	Pre 2 nd Conversion holding	No. of Convertible Equity Warrants held	No. of Convertible Equity Warrants converted into Equity Shares	No. of Equity Shares held post preferential issue
1	Mr. Ashish D. Jaipuria	11,20,000	2,00,000	2,00,000	13,20,000
2	Mr. Ujval A. Jaipuria	1,40,000	1,00,000	1,00,000	2,40,000
3	Mr. Kushal A. Jaipuria	1,40,000	1,00,000	1,00,000	2,40,000

The Company received Listing Approval and Trading Approval for the above-mentioned Equity shares from BSE on 19th August 2024 and 27th August 2024 respectively.

18. Particulars of contracts or arrangements with Related Parties

In accordance with the provisions of section 188 of the Companies Act, 2013 and rules made thereunder, the transactions entered with related parties are in the ordinary course of business and are on an arm's length pricing basis, the details of which are provided under Note 23 forming part of the audited financial statements for the year ended 31st March 2024.

19. Particulars of Investments, Loans and Guarantees under Section 186 of the Companies Act, 2013

As the Company is a Non-Banking Financial Company registered with the RBI, the provisions of Section 186 except sub-section (1) regarding particulars of the investment made shall not apply to the Company pursuant to Section 186(11) of the Companies Act, 2013.

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

20. Internal Control Systems and their adequacy

Your Company has proper and adequate systems, documented policies, defined authority matrix, and internal controls to ensure efficiency of operations, compliance with internal systems/policies and applicable laws.

All audit observations and follow up actions thereon are reported to the Audit Committee of the Board. The Audit Committee reviews and evaluates adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations. The Board of Directors are of the view that your Company's internal control systems are commensurate with the nature of its business, size, and complexity of its operations.

The internal control systems / policies of your Company are supplemented with regular reviews by the management and checks by internal auditors. The main function of the Internal Auditors is to provide to the Audit Committee and the Board of Directors, an objective assurance of the adequacy and effectiveness of the organization's risk management control and governance process. The Audit Committee periodically reviews various risks associated with the business of the Company and ensure that they have an integrated view of risks faced by the Company.

21. Adequacy of Internal Financial Controls related to Financial Statements

The Company has in place adequate Internal Financial Controls related to Financial Statements. The Company's Internal Financial Controls are commensurate with the size, nature, and operations of the Company.

22. Corporate Governance

Pursuant to Regulation 15(2) of SEBI LODR, the compliance with Corporate Governance provisions (Reg 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V) are not applicable to the Company where Equity Share Capital has not exceeded Rupees Ten Crore and Net Worth has not exceeded Rupees Twenty Five Crore.

23. Transfer of amounts to Investor Education and Protection Fund

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31st March 2024.

24. Statutory Auditors

At the 37th Annual General Meeting held on 28th September 2023, M/s Lodha & Co. LLP, Chartered Accountants, having Firm Registration No. 301051E were appointed as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of that Annual

General Meeting till the conclusion of the Annual General Meeting to be held for the financial year ending on 31st March 2027.

The observations raised by M/s Lodha & Co. LLP; Chartered Accountants as the Statutory Auditors of the Company in their Audit Report are as under:

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

Management's reply:

The Management has taken various necessary steps including preferential issue of securities towards making the Company's Networth positive. The report issued by the Statutory Auditors and Notes on Financial Statements referred to in the Auditors' Report and their observations therein are self-explanatory and do not call for any further clarifications / comments.

25. Internal Auditors

The Company had appointed Mr. Ravindra Gurav, as Internal Auditor for carrying out the activities of Management Testing of Internal Financial Controls and Internal Audit of various business/ functions process for the financial year 2023-24.

Internal Audit Reports are reviewed by the Audit Committee of the Company at their meetings held during quarterly intervals. Internal auditors carry out their functions as per the scope of work assigned and place their reports at the meetings of the Audit Committee, during quarterly intervals.

26. Fraud Reporting

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

27. Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Board has appointed M/s Purwar & Purwar Associates LLP, Practising Company Secretary, to conduct Secretarial Audit for the financial year 2023-24. Your Company has provided all assistance and information to the Secretarial Auditors for conducting their audit. The Secretarial Audit Report for the financial year ended 31st March 2024 is annexed herewith and marked as **Annexure B** to this Report.

The Management's reply to the observations raised in the Secretarial Audit Report are as under:

Sr No	Observations	Management's Reply
1(a)	<u>Delay in filing following Forms:</u> <ul style="list-style-type: none"> • Form MGT-14 for Reappointment of Mr. Ashish D. Jaipuria (DIN: 00025537) as Managing Director and Chairman of the Company. • Form MR-1 for Reappointment of Mr. Ashish D. Jaipuria (DIN: 00025537) as Managing Director and Chairman of the Company. 	The filing of the mentioned two e-forms were unfortunately delayed by the Company. We have now tightened our internal controls to ensure that such delay does not repeat.
1(b)	Non-Compliance under Section 91 of the Act with respect to publication of notice of book closure in the newspaper.	Publication of advertisement of Notice of Book Closure in the newspaper was inadvertently missed out by the Company. The Company will ensure compliance with LODR Regulations in future.
1(c)	Non-compliance under Rule 20 Companies (Management and Administration) Rules, 2014 of the Act with respect to the publication of advertisement of Notice of AGM in the newspaper.	Publication of advertisement of Notice of AGM in the newspaper was inadvertently missed out by the Company. The Company will ensure compliance with LODR Regulations in future.
2(a)	Regulation 39(3) – Non-Compliance with respect to submission of information	We had received the intimation regarding loss of the share certificates vide email on Friday,

	regarding loss of share certificates within two days of receipt of information.	13-10-2023. Whereas we informed the BSE on Monday, 16-10-2023 i.e. after 3 days (instead of 2 days). This delay of 1 day was caused due to our office being closed for the weekend.
2(b)	Regulation 44 – Non-compliance with respect to submission of voting results to the stock exchange, within two working days of conclusion of its Annual General Meeting held on 28 th September 2023.	The Voting Result in XBRL mode & Scrutinizer Report were both submitted on 29-09-2023, i.e. one day after the AGM. However, the Voting Result in PDF format was submitted later on 05-10-2023. This lapse shall not recur.
2(c)	Regulation 47 – Non-compliance with respect to publication of Audited and Unaudited financial results, notice of Board Meetings and Annual General Meeting in the newspaper.	Non-compliance of regulations 47 of SEBI (LODR) Regulations, 2015 was inadvertent on the part of the Company. The Company will ensure compliance with LODR Regulations in future.
2(d)	Regulation 46 – Non-compliance with respect to the publication of copy of advertisement for AGM Notice, on the website of the Company.	Since, the notice of the AGM could not be published inadvertently, hence the same could not be published on the website of the Company. The Company will ensure compliance with LODR Regulations in future.
3	Net Owned Fund of the Company is reduced below Rs.2 Crores	The Management has taken various necessary steps, including preferential issue of securities towards making the Company Network positive in the near future.

28. **Policies, Charters, and Code of Conduct of the Company**

During the year under review, the Company has continued with the existing statutory policies, Charters and Code of Conduct as required in terms of provisions of Companies Act, 2013, RBI Act, 1934 and SEBI Act, 1992 and rules and regulations made thereunder as amended from time to time.

29. **Audit Committee**

Pursuant to Section 177 of the Companies Act, 2013 the Audit Committee is required to consist of minimum three Directors with Independent Directors forming a majority.

1. Mr. Samir Sanghai (Chairperson) – Independent Director
2. Mr. Vivek Tekriwal (Member) – Independent Director
3. Mr. Ashish D. Jaipuria (Member) – Managing Director

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

The Committee held 5 (five) meetings during the financial year 2023-24 on 30th May 2023, 10th August 2023, 13th November 2023, 16th November 2023 and 02nd February 2024.

Attendance of members at Audit Committee Meetings:

Name of the Member	Attendance at the meetings held on:				
	30 th May 2023	10 th Aug 2023	13 th Nov 2023	16 th Nov 2023	02 nd Feb 2023
Mr. Samir Sanghai	✓	✓	✓	✓	✓
Mr. Vivek Tekriwal	✓	✓	✓	✓	✓
Mr. Ashish D. Jaipuria	✓	✓	✓	✓	✓

30. **Nomination and Remuneration Committee**

Pursuant to Section 178(1) of the Companies Act, 2013 the Nomination & Remuneration Committee (NRC) is required to be consist of three or more Non-executive Directors out of which not less than one-half shall be Independent Directors.

1. Mr. Samir Sanghai (Chairman) – Independent Director
2. Mr. Vivek Tekriwal (Member) – Independent Director
3. Mrs. Archana A. Jaipuria (Member) – Non-executive Director

During the year under review, the Committee held 1 (one) meeting on 30th May 2023. All the members of the committee were present at the meeting.

Attendance of members at Nomination & Remuneration Committee Meetings:

Name of the Member	Attendance at the meeting held on: 30 th May 2023
Mr. Samir Sanghai	✓
Mr. Vivek Tekriwal	✓
Mrs. Archana A. Jaipuria	✓

31. Stakeholders' Relationship Committee

Pursuant to Section 178(5) of the Companies Act, 2013 the Stakeholders' Relationship Committee (SRC) shall consist of a Chairperson who shall be a Non-executive Director, and such other members as may be decided by the Board.

1. Mr. Samir Sanghai (Chairman) – Independent Director
2. Mr. Vivek Tekriwal (Member) – Independent Director
3. Mr. Ashish D. Jaipuria (Member) – Managing Director

During the year under review, the Committee held 2 (two) meetings on 30th May 2023 and 28th March 2024. All the members of the committee were present at the meeting.

Attendance of members at Stakeholders' Relationship Committee Meetings:

Name of the Member	Attendance at the meetings held on:	
	30 th May 2023	28 th March 2024
Mr. Samir Sanghai	✓	✓
Mr. Vivek Tekriwal	✓	✓
Mr. Ashish D. Jaipuria	✓	✓

32. Vigil Mechanism

In terms of Section 177(9) and Section 177(10) of the Companies Act, 2013 read with the rules made there under, the Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism for Directors, Employees and External Stakeholders to approach the Chairman of the Audit Committee of the Company and to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct and provide adequate safeguards against victimization of Whistle Blower who avails of such mechanism. None of the Whistle Blowers have been denied access to the Audit Committee.

33. Investment Policy

The Board has framed the Investment Policy of the Company, in terms of the RBI Master Circular DNBS (PD) CC No.380/03.02.001/2014-15 dated 01st July 2014, which includes criteria to classify the investments into current and long-term investments, grouping of quoted current investments for the purpose of valuation, valuation of unquoted equity shares, preference shares, government securities, units of mutual funds, commercial papers, long term investments, etc.

34. Risk Management Policy

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

Risk is an integral part of the Company's business, and robust risk management is critical to the success of the organization.

35. Share Registrar & Transfer Agent (R&T)

M/s. Link Intime India Private Limited is the Registrar and Transfer Agent of the Company.

36. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31st March 2024 is available on the Company's website at <https://kiduja.com/>

37. Details of policy developed and implemented by the Company on its Corporate Social Responsibility initiatives

The provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 were not applicable to your Company during the financial year 2023-24.

38. Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

The Nomination and Remuneration Committee has formulated criteria for determining qualifications, positive attributes, and independence of directors. The Company has put in place

appropriate policy on Directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013, which has been disclosed in the **Annexure C**, which forms part of this Report.

39. Directors' Responsibility Statement

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

- (i) that in the preparation of the annual financial statements for the year ended 31st March 2024, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- (ii) that appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit of the Company for that year;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the annual accounts have been prepared on a 'going concern' basis;
- (v) that internal financial controls have been laid down to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

40. Maintenance of Cost Records

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

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

The Company has Zero tolerance for Sexual harassment at Workplace. Appropriate reporting mechanisms are in place for ensuring protection against sexual harassment and right to work with dignity.

Internal Complaints Committee was not required to be constituted since the Company does not have more than ten employees and no cases in the nature of sexual harassment were reported to Local Complaints Committee at workplace of the Company during the financial year 2023-24.

42. Compliance with Secretarial Standards

The Company has generally complied with Secretarial Standards i.e. SS-1 and SS-2 relating to "Meetings of the Board of Directors" and "General Meetings", respectively, specified by the Institute of Company Secretaries of India under Section 118 of the Companies Act, 2013.

43. Acknowledgement

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

**For and on behalf of the Board of Directors
of KIDUJA INDIA LIMITED**

**Sd/-
Ashish D. Jaipuria
Managing Director
DIN: 00025537**

**Sd/-
Archana A. Jaipuria
Director
DIN: 00025586**

**Place : Mumbai
Date : 30.08.2024**

ANNEXURE A TO THE BOARD'S REPORT

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

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

Sr. No.	Name of the Director / KMP	Designation	Ratio of remuneration of each Director to median remuneration of employees of the Company for FY 2023-24	Percentage increase in remuneration in FY 2023-24
1	Mr. Ashish D. Jaipuria	Chairman & Managing Director	3.22	100.00%
2	Mrs. Archana A. Jaipuria	Non-Executive Director (Woman)	N.A.	N.A.
3	Mr. Ujjval A. Jaipuria	Non-Executive Director	N.A.	N.A.
4	Mr. Kushal A. Jaipuria	Non-Executive Director	N.A.	N.A.
5	Mr. Samir S. Sanghai	Independent Director	N.A.	N.A.
6	Mr. Vivek Tekriwal	Independent Director	N.A.	N.A.
7	Mr. Sanjay Nawal	Chief Financial Officer	N.A.	N.A.

- **The percentage increase in the median remuneration of employees in the financial year:**
During the financial year under review, there were no increase in remuneration of employees.
- **The number of permanent employees on the rolls of Company:**
There were 7(Seven) permanent employees on the rolls of the Company as on 31st March 2024.
- **Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
Not Applicable as no remuneration is drawn by any Director of the Company.
- **Affirmation that the remuneration is as per the remuneration policy of the Company:**
It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

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

Details of Top 10 employees in terms of remuneration drawn and the name of every employee, for the financial year ended 31st March 2024 who are:

Sr. No.	Name of Top 10 Employees in terms of remuneration drawn	Designation	Nature of employment	Qualifications and Experience	Date of Joining	Age (Yrs)	Remuneration received during the FY 2023-24
1	Mr. Darshankumar Jain	Vice President (Accounts)	Permanent	Graduate (54 Years)	Apr-12	75	7,48,560
2	Mr. Sanjay Nawal	Chief Financial Officer	Permanent	Graduate (37 Years)	Jun-00	58	7,97,976
3	Mr. Ravindra Gurav	Manager Accounts	Permanent	Graduate (26 Years)	Apr-22	47	5,05,793
4	Ms. Pooja Chavan	Company Secretary	Permanent	B.Com, CS (8 Years)	Nov-22	35	4,83,126
5	Ms. Swara Vayangankar	Accounts Officer	Permanent	Graduate (22 Years)	Oct-01	45	3,24,469
6	Mr. Pramod Mohite	Office Assistant	Permanent	SSC	Apr-07	48	2,10,466
7	Mr. Sunil Chowdhary	Driver	Permanent	SSC	Aug-22	34	2,45,873

- Employed throughout the financial year and was in receipt of remuneration which, in the aggregate, was not less than Rs.1,02,00,000 per annum: NIL
- Employed for a part of the financial year and was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than Rs.8,50,000 per month: NIL
- Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole-time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company: NIL

For and on behalf of the Board of Directors
of KIDUJA INDIA LIMITED

Sd/-
Ashish D. Jaipuria
Managing Director
DIN: 00025537

Sd/-
Archana A. Jaipuria
Director
DIN: 00025586

Place : Mumbai
Date : 30.08.2024

ANNEXURE B TO BOARD'S REPORT**Form No. MR-3****SECRETARIAL AUDIT REPORT**For the Financial Year ended 31st March 2024*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]***UDIN: F005769F000592511**

To,
The Members,
Kiduja India Limited,
127-B, Mittal Tower, Nariman Point,
Mumbai 400021.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kiduja India Limited** (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 the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2024 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 the Company for the financial year ended on 31st March 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed there under;
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - e) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (v) Reserve Bank of India Act, 1934 and following Directions issued thereunder: -
 - a) Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking (Reserve Bank) Directions, 2016 and Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023;
 - b) Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024;

Provisions of the following Act, Regulations and Guidelines were not attracted to the Company under the financial year under report: -

- (i) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

- (ii) The Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018;
- (iii) 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;
- (iv) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
- (v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

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) Listing Agreement with BSE Limited

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. as mentioned above, to the extent applicable, except the following:

Sr. No.	Applicable Law	Observation
1	<i>Companies Act, 2013 and Rules made thereunder</i>	<p>(a) Delay in filing following Forms:</p> <ul style="list-style-type: none"> • Form MGT-14 for Reappointment of Mr. Ashish D. Jaipuria (DIN:00025537) as Managing Director and Chairman of the Company. • Form MR-1 for Reappointment of Mr. Ashish D. Jaipuria (DIN:00025537) as Managing Director and Chairman of the Company. <p>(b) Non-Compliance under Section 91 of the Act with respect to publication of notice of book closure in the newspaper.</p> <p>(c) Non-Compliance under Rule 20 Companies (Management and Administration) Rules, 2014 of the Act with respect to the publication of advertisement of Notice of Annual General Meeting in the newspaper.</p>
2	<i>SEBI (LODR) Regulations, 2015</i>	<p>(a) Regulation 39(3) – Non-Compliance with respect to submission of information regarding loss of share certificates within two days of receipt of information.</p> <p>(b) Regulation 44 – Non-compliance with respect to submission of voting results to the stock exchange, within two working days of conclusion of its Annual General Meeting held on 28th September 2023.</p> <p>(c) Regulation 47 – Non-Compliance with respect to publication of Audited and Unaudited financial results, notice of Board Meetings for quarter ended June 2023 and September 2023 and Notice of Annual General Meeting held on 28th September 2023, in the newspaper.</p> <p>(d) Regulation 46 – Non-compliance with respect to the publication of copy of advertisement for Notice of Annual General Meeting, on the website of the Company.</p>
3	<i>Reserve Bank of India Act, 1934</i>	<i>Net Owned Fund of the Company is reduced below Rs. 2 Crore.</i>

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors and Independent Directors.

Adequate notice is generally 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 through while the dissenting members' views 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 under review the following events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. have taken place:

- (i) The Company has adopted new sets Articles of Association of the Company which was approved by the shareholders at an Annual General Meeting held on 28th September 2023;
- (ii) Alteration in the Authorised Share Capital clause of the Memorandum of Association of the Company was approved by the shareholders at an Annual General Meeting held on 28th September 2023;
- (iii) Approval of raising funds through Preferential Issue of 6,85,000 Convertible Equity Warrants of Rs.100/- each, each carrying a right to subscribe to 1 (one) equity share, aggregating to Rs. 6,85,00,000/- (Indian Rupees Six Crores and Eighty-Five Lakhs Only), pursuant to Chapter V of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI ICDR Regulations"), in 1 or more tranches at the Extra Ordinary General Meeting of the Company held on 16th December 2023;
- (iv) Allotment of 2,85,000 Equity Shares pursuant to conversion of Convertible Equity Warrants at the Board Meeting held on 28th March 2024.

For Purwar & Purwar Associates LLP
Company Secretaries
[Unique Identification No.: L2023MH013700]
[PR: 3174/2023]

Place: Thane
Date: 20th June 2024

Sd/-
Pradeep Kumar Purwar
Managing Partner
Membership No.: FCS 5769
Certificate of Practice No.: 5918

ANNEXURE C TO THE BOARD'S REPORT

Remuneration Policy for Directors, Key Managerial Personnel and Other Employees

1. Background

Section 178 of the Companies Act, 2013, read with Rules made thereunder defines the role of the Nomination and Remuneration Committee to include, inter alia amongst others, the following:

- To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and removal.
- To specify the manner for effective evaluation of performance of Board, its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and to review its implementation and compliance thereof.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel, and other employees.

2. Policy Objectives

This Policy is framed to define the basic principles and procedure of nomination and determination of remuneration of all the Directors, Key Managerial Personnel, and other employees of the Company. It is further intended to ensure that the Company is able to attract, develop and retain high-performing Directors, Key Managerial Personnel, and other employees and that their remuneration is aligned with the Company's business strategies, values, and goals.

This Policy shall be applicable upon all the Directors, Key Managerial Personnel, Senior Management Personnel, and other employees of the Company as prescribed.

3. Definitions

- a) "Act" means the Companies Act, 2013 and the Rules made thereunder, including, any modifications, amendments, or re-enactment thereof.
- b) "Audit Committee" means the Audit Committee constituted by the Board of Directors of the Company in accordance with Section 177 of the Act.
- c) "Board of Directors" or "Board" means the collective body of the Board of Directors of the Company.
- d) "Committee" means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, in accordance with the provisions of Section 178 of the Companies Act, 2013.
- e) "Company" means Kiduja India Limited.
- f) "Director" means a Director appointed to the Board of a Company.
- g) "Independent Director" means a Director referred under provisions of Section 149 of the Companies Act, 2013 and the Rules framed thereunder.
- h) "Key Managerial Personnel" means a Key Managerial Personnel as defined in the Act.
- i) "Manager" means an individual, who subject to the superintendence, control, and direction of the Board, has the management of the whole or substantially the whole of the affairs of a Company, and includes a director or any other person occupying the position of a manager, by whatever name called, whether a contract of service or not.
- j) "Policy" means this Nomination and Remuneration Policy
- k) "Relative" means a relative as defined in the Act.
- l) "Senior Management" shall derive its meaning from the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (hereinafter referred to as the "Listing Regulations"). In general, it shall mean officers/personnel of the listed entity who are members of its core management team excluding Board of Directors and normally this shall comprise all members of management one level below the Chief Executive Officer/Managing Director/Whole Time Director/Manager (including Chief Executive Officer/Manager in case they are not part of the board) and shall specifically include Company Secretary and Chief Financial Officer.

4. Policy

The Nomination and Remuneration Committee shall ensure that:

- a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;

- b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Identification process of persons qualified to become Directors and who may be appointed in senior management

The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down in the Act and the Listing Regulations. Subsequently, they shall recommend to the Board their appointment and removal and carry out the evaluation of every director's performance in accordance with Section 178(2) of the Act read with the Rules framed thereunder.

Criteria for determining qualifications, positive attributes, and independence of a director

➤ **Qualifications, positive attributes of a director:**

The supreme executive authority controlling the management and affairs of a Company vests in the team of directors of the Company, collectively known as its Board of Directors. Therefore, considering the pivotal role of the Directors, it is important to define the required qualifications and positive attributes of a person appointed as a director:

1. The person should not be disqualified pursuant to Section 164 of the Act, read with the Rules made thereunder.
2. The Company shall consider the balance of skills, experience, expertise appropriate to the requirements of the businesses of the Company, etc. of persons for appointment as Directors, Key Managerial Personnel. The need of the hour also requires such person to possess requisite business literacy/skill.
3. The person should be open to learning and possess strong ethical values and requisite communication skills to execute his or her task as a Director.
4. A director should have the ability to respect alternative viewpoints.

The Board has not established specific minimum age, education, years of business experience or specific types of skills for Board members, but, in general, expects a candidate to have extensive experience and proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values.

The aforesaid criteria and attributes are not exhaustive principles, and the Committee and Board can look beyond the aforesaid guidelines, to take the best decisions in the interest of the Company.

➤ **Additional Qualifications for a director appointed as a member of the Audit committee:**

In addition to the above-mentioned attributes, a Director proposed to be appointed as a member of the Audit Committee should possess ability to read and understand the financial statements.

➤ **Additional Criteria/Qualifications for a person proposed to be appointed as a Managing Director, Whole-time Director, or Manager:**

In addition to the aforesaid criteria, the Company shall also adhere to the provisions of Section 196 of the Act, read with the Rules made thereunder and Schedule V of the Act, along with the relevant provisions of the Listing Regulations, if any.

➤ **Criteria of Independence for independent Directors:**

The Company shall adhere to the provisions of Section 149(6) of the Companies Act, 2013 and Rules made thereunder along with Regulation 16 of Listing Regulations for determination of Independence for Independent Director

➤ **Limits on number of Directorships:**

The number of Directorships of the proposed appointee and the present directors, should be within the prescribed limits of Section 165 of the Act, read with Rules made thereunder, including any statutory modification(s) and/or re-enactment thereof.

Criteria for determining qualifications, positive attributes of persons who may be appointed in senior management

The Company shall consider the balance of skills, experience, expertise appropriate to the requirements of the businesses of the Company, etc. of persons for appointment at Senior Management levels.

Procedure of appointment:

The appointment of the Directors, Manager, Key Managerial Personnel and Senior Management Personnel shall be governed by this Policy along with the Articles of Association, relevant provisions of the Act, read with the Rules and Schedules forming part thereto and the provisions of the Listing Regulations.

Tenure

➤ **Independent Directors**

The maximum tenure of independent directors shall be in accordance with the provisions of Section 149 (10) of the Companies Act, 2013.

➤ **Executive Directors**

Pursuant to Section 196 of the Act read with the Rules made thereunder, the reappointment of the Managing Director, Whole-time Director, or manager, shall be for a term not exceeding five (5) years at a time. Provided that no re-appointment shall be made earlier than one year before the expiry of the term.

➤ **Retirement**

The Directors, Key Managerial Personnel and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, Key Managerial Personnel, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, in the interest of the Company.

➤ **Removal**

The Committee may recommend with reasons recorded in writing, removal of a Director, Key Managerial Personnel or Senior Management Personnel subject to the provisions of this Policy, the Articles of Association, Companies Act, 2013, read with the Rules made thereunder, the Listing Regulations, and any other applicable Law in force. The tenure of the Managing Director and the Executive Director can be terminated by either party by giving Thirty (30) days' notice in writing and shall be subject to the approval of the Nomination and Remuneration Committee and the Board of Directors.

Criteria for determining remuneration to Directors, Key Managerial Personnel and Senior Management Personnel.

➤ **Remuneration to the Non-Executive Directors**

1. All Non-Executive Directors including the Independent Directors are entitled to receive remuneration by way of sitting fees for each meeting of the Board or Committee of the Board (Audit Committee & the Nomination and Remuneration Committee). The sitting fees is determined and revised by the Board and is subjected to the threshold limit prescribed in Companies Act, 2013 and the Rules made thereunder, and any other applicable law(s) in force.
2. Further, they may receive such other remuneration as permissible under the provisions of the Companies Act, 2013 read with Rules made thereunder and/or the provisions of the Listing Regulations.

Provided that the requirement of obtaining prior approval of Members in general meeting shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Companies Act, 2013 for payment of sitting fees without approval of the Central Government.

➤ **Remuneration of the Key Managerial Personnel, Senior Management Personnel, Manager, and the Executive Directors including Whole-time Director and Managing Director.**

1. The remuneration of the Managing Director and Whole-time Director is determined by the Board of Directors, statutory limits laid in the Companies Act, 2013 read with the Rules and Schedules forming part thereto and the approval of the Members and/or Central Government, wherever required.
2. The remuneration shall be broadly divided into the following components:
 - a. **The Fixed Components** – This shall broadly encompass: Salary, allowances, perquisites, retirement benefits, etc.
 - b. **The Variable Components** – Performance based promotion and bonus shall be primarily included hereto.
3. The remuneration package of the employees will comprise of the aforesaid two components. However, the same shall also depend upon various factors including: their grade, industry

benchmark, overall business performance. Further, in determining the director's remuneration, their performance evaluation as duly carried out by the Board and/or Independent Directors, shall also be given due weightage.

4. Any annual increase in the remuneration of the Directors, Key Managerial Personnel and Senior Managerial Personnel shall be at the sole discretion of the Board, based on the recommendation of the Committee and subject to such statutory approvals, if any.

Disclosures

Pursuant to the provisions of section 178(4) of the Act read section 134(3) of the Companies Act, 2013, the policy shall be placed on the website of the Company and the salient features of the policy and changes therein, if any, along with the web address of the policy, if any, shall be disclosed in the Board's report.

Amendments in the Policy

- a. The Nomination & Remuneration Committee shall review and amend this Policy as and when required, subject to the approval of the Board of Directors.
- b. Any subsequent amendment/modification in the applicable laws in this regard shall automatically apply to this Policy.

Independent Auditor's Report

**To the Members of
Kiduja India Limited**

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of Kiduja India Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of material 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 financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, its profits (including other comprehensive income), Its 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 Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 audit opinion on the financial statements.

Material Uncertainty related to Going Concern

We draw your attention to the fact that the financial statements of the Company have been prepared on the principles of a going concern basis, which contemplated the realisation of assets and the satisfaction of liabilities in the normal course of business. The Company has been incurring losses for the past few years and its net worth has been fully eroded. Also, the Company's financial liabilities exceeded its financial assets as on March 31, 2024. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, in view of profit earned during the year, as also comfort received from the promoters to the effect that they will be continuing to provide financial support to the Company and accordingly, these financial statements have been prepared on a going concern basis. (Refer note no. 27 to the financial statements)

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant 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. In addition to the matter described in the material uncertainty related to going concern section, we have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to the Board Report but does not include the financial statements and our auditor's report thereon. The report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), 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, the 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 skepticism throughout the audit. We are 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 Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 entity'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 entity 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 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. Pursuant to the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in 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 except what is stated as Para (h)(vi) here below.
 - (c) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - (e) On the basis of the written representation received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a Director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure "B".
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act (Refer Note no 23 to the financial statements).

- (h) With respect to the matters to be included in the Auditor's report in accordance with the 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. There were no pending litigations which would impact the financial position of the Company.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv.
 - a) The Management has represented that, to the best of its knowledge and belief, no funds other than those disclosed in financial statements, have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The Management has represented, that, to the best of its knowledge and belief, no funds other than those disclosed in financial statements, have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement (Refer Note No 31 (vi) and (vii) to the financial statements)
 - v. The Company has not declared or paid any dividend during the year ended March 31, 2024. Accordingly, reporting under Rule 11(f) of Companies (Audit and Auditors) Rules, 2014 is not applicable.
 - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year except for the period from 1st April 2023 to 7th July 2023, for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Lodha & Co LLP
Chartered Accountants
Firm Registration No: 301051E/E300284

Sd/-

A M Hariharan
Partner
Membership No: 038323
UDIN: 24038323BKFVVK4775

Place : Mumbai
Date : May 24, 2024

Annexure “A” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Kiduja India Limited of even date:

- i. a) The Company does not have any Property, Plant & Equipment and Intangible assets. Therefore, reporting under clause 3(i)(a) to (d) of the Order is not applicable to the Company.
 - b) According to information and explanations given to us and on the basis of our examination of the records of the Company, neither any proceedings have been initiated during the year nor are pending as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended, and Rules made thereunder and hence, reporting under clause 3(i)(e) of the Order is not applicable to the Company.
- ii. a) The Company does not hold any inventory during the year. Therefore, reporting under clause 3(ii) of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not been sanctioned working capital limit in excess of Rs. 5 crores on the basis of security of current assets, in aggregate, at any point of time during the year from banks and financial institutions and hence, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. a) According to the information and explanations given to us and the records examined by us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties, hence reporting under clauses 3 (iii) (a), (c), (d), (e), (f) of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us, investments made during the year are in the ordinary course of business and in our opinion, is prima facie, not prejudicial to the Company’s interest.
- iv. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has complied with the provisions of Section 185 and 186 of the Act, to the extent applicable with respect to the investments made during the year. The Company has not granted any loans, provided any guarantee and any security during the year.
- v. No deposits or amount which deemed to be deposit have been accepted by the Company within the meaning of directives issued by Reserve Bank of India and Section 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
- vi. As informed, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act in respect of services/activities carried out by the Company.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including Goods and Service Tax, provident fund, employees’ state insurance, income tax, sales tax, customs duty, duty of excise, value added tax, cess and other statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
 - b) According to the information and explanations given to us, there are no dues as referred in clause vii(a) above which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the records, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 and hence, reporting under clause 3(viii) of the Order is not applicable to the Company.
- ix. a) Based on our audit procedures and on the basis of information and explanations given to us and on the basis of our examination of records, we are of the opinion that the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

- b) The Company has not been declared as willful defaulter by any bank or financial institution or other lender.
 - c) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not taken any term loans during the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.
 - d) On an overall examination of the financial statements, in our opinion, the Company has utilized long-term funds raised on short term basis of Rs.2,04,041.65 thousands for long term purposes.
 - e) Based on our audit procedures and on the basis of information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.
 - f) Based on our audit procedures and on the basis of information and explanations given to us, during the year, the Company has not raised any funds on the pledge of securities held in its subsidiaries, joint ventures or associates and hence, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.
- x. a) In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us and on the basis of our examination of the records, the Company has made private placement of Convertible Equity Warrants to promoters and promoter group during the year. The Company has complied with requirements of Section 42 of the Companies Act, 2013 for allotment of warrants/shares and has applied the fund received therefrom for the purpose for which the funds were raised (Refer Note No 29 to the financial statements).
- xi. a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company noticed or reported during the year, nor have we been informed of such case by the management.
 - b) During the year, no report under sub-section 12 of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - c) Based on our audit procedures and on the basis of information and explanations given to us, no whistle blower complaints were received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of Act and all the details have been disclosed in the financial statements as required by the applicable Accounting Standard (Refer Note no 23 to the financial statements).
- xiv. a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - b) We have considered the internal audit reports for the year under audit issued to the Company during the year till date, in determining nature, timing and extent of our audit procedure.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.

- xvi. a) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records, the Company has conducted Non-Banking Financial activities during the year under a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- c) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.
- d) According to the information and explanations provided to us during the course of audit, the Group (Group means companies in the Group as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
- xvii. The Company has not incurred cash losses in the current financial year. However, the Company had incurred cash losses of Rs.66,088.85 thousands in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and hence, reporting under clause 3 (xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of evidence supporting the assumptions and on basis of profit earned during the year, as also comfort received from the promoters to the effect that they will be continuing to provide the financial support to the Company, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The requirements as stipulated by the provisions of Section 135 of the Act are not applicable to the Company for the year and hence, reporting under clause 3 (xx) of the Order is not applicable to the Company.

For **Lodha & Co LLP**
Chartered Accountants
Firm Registration No: 301051E/E300284

Sd/-
A M Hariharan
Partner
Membership No: 038323
UDIN: 24038323BKFVPK4775

Place : Mumbai
Date : May 24, 2024

Annexure “B” referred to in “Report on Other Legal and Regulatory Requirements” section of our report to the members of Kiduja India Limited of even date:

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of the Kiduja India Limited (“the Company”) as of March 31, 2024, 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 Board of Directors of the Company 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 component 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 (ICAI). 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 Act.

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 deemed to be prescribed under Section 143(10) of the Act 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate 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 judgment, 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 entity are being made only in accordance with authorisations of management; (3) and provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity’s assets that could have a material effect on the financial statements and (4) also provide reasonable assurance by the internal auditors through their internal audit reports given to the organisation from time to time.

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 best of our information and according to the explanations given to us, the Company has, broadly 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, 2024 based on the internal control over financial reporting criteria established by the Company considering the essential Component of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Lodha & Co LLP**
Chartered Accountants
Firm Registration No: 301051E/E300284

Sd/-

A M Hariharan
Partner
Membership No: 038323
UDIN: 24038323BKFVPK4775

Place : Mumbai
Date : May 24, 2024

KIDUJA INDIA LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2024

PARTICULARS	Note No.	As at 31st March 2024 (Rs in '000)	As at 31st March 2024 (Rs in '000)
ASSETS:			
Financial Assets:			
Cash and Cash Equivalents	2	94.10	75.58
Trade Receivables	3	-	1,820.61
Investments	4	12,10,788.73	1,98,319.13
Other Financial Assets	5	496.94	25.94
		<u>12,11,379.77</u>	<u>2,00,241.27</u>
Non-Financial Assets:			
Current Tax Assets	6 (a)	47.07	43.95
Other Non-Financial Assets	6 (b)	8.34	25.00
		<u>12,11,435.18</u>	<u>2,00,310.22</u>
Total Assets			
LIABILITIES & EQUITY:			
Financial Liabilities:			
Payables			
Trade Payables	7		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,596.54	738.06
Borrowings	8	14,03,571.92	7,76,734.29
Non-Financial Liabilities			
Provisions	9	2,489.08	2,220.98
Other Non-Financial Liabilities	10	7,819.27	2,148.43
		<u>14,15,476.81</u>	<u>7,81,841.76</u>
Total Liabilities			
Equity:			
Equity Share Capital	11	20,000.00	17,150.00
Other Equity	12	(2,24,041.63)	(5,98,681.54)
		<u>(2,04,041.63)</u>	<u>(5,81,531.54)</u>
		<u>12,11,435.18</u>	<u>2,00,310.22</u>
Total Liabilities and Equity			
Material Accounting Policies and Other Notes Forming Integral Part of the Financial Statements	1 - 34		

AS PER OUR ATTACHED REPORT OF EVEN DATE

For LODHA & Co LLP

Chartered Accountants

Firm Registration No.301051E/E300284

For and on behalf of the Board of Directors

Sd/-

A M Hariharan

Partner

Membership No.038323

Mumbai; 24th May, 2024

Sd/-

A. D. JAIPURIA
Managing Director
DIN:00025537

Sd/-

A. A. JAIPURIA
Director
DIN:00025586

Sd/-

SANJAY NAWAL
Chief Financial Officer

KIDUJA INDIA LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2024

PARTICULARS	Note No.	Year ended 31st March 2024 (Rs. In '000)	Year ended 31st March 2023 (Rs. In '000)
REVENUE :			
Revenue from Operations - Net gain/(loss) on fair value changes	13	4,50,268.71	-
Total Revenue		4,50,268.71	-
EXPENSES :			
Loss from Operations - Net gain/(loss) on fair value changes	13	-	40,331.28
Finance Costs	14	95,498.57	17,048.56
Employee Benefits Expense	15	5,510.29	5,217.06
Other Expenses	16	9,856.95	3,491.96
Total Expenses		1,10,865.80	66,088.85
Profit / (Loss) Before Tax		3,39,402.91	(66,088.85)
Tax Expenses	17		
Current Tax		-	-
Deferred Tax		-	-
PROFIT / (LOSS) FOR THE YEAR		3,39,402.91	(66,088.85)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL OTHER COMPREHENSIVE INCOME		3,39,402.91	(66,088.85)
Earnings per Equity Share (Nominal Value Rs.10 Per Share)	20		
Basic		197.63	(38.54)
Diluted		160.30	(38.54)
Material Accounting Policies and Other Notes Forming Integral Part of the Financial Statements	1 - 34		

AS PER OUR ATTACHED REPORT OF EVEN DATE

For LODHA & Co LLP
Chartered Accountants
Firm Registration No.301051E/E300284

For and on behalf of the Board of Directors

Sd/-
A M Hariharan
Partner
Membership No.038323

Sd/-
A. D. JAIPURIA
Managing Director
DIN:00025537

Sd/-
A. A. JAIPURIA
Director
DIN:00025586

Sd/-
SANJAY NAWAL
Chief Financial
Officer

Mumbai; 24th May, 2024

KIDUJA INDIA LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2024

	Note No.	For the Year ended 31st March 2024 (Rs. In '000)	For the Year ended 31st March 2023 (Rs. In '000)
A. Cash Flow from Operating Activities			
Profit / (Loss) Before Tax		3,39,402.91	(66,088.85)
Adjusted for :			
Finance Costs		95,498.57	17,048.56
Operating Profit before Working Capital changes		4,34,901.48	(49,040.29)
Adjusted for :			
(Increase) / Decrease in Trade and Other Receivables		1,366.27	4,785.65
(Increase) / Decrease in Investments		(10,12,469.60)	(1,32,668.91)
Increase / (Decrease) in Trade Payables		858.48	(3,278.76)
Increase / (Decrease) in Other Current Liabilities		5,938.94	1,341.79
Cash Used In Operations		(5,69,404.43)	(1,78,860.53)
Direct Taxes Paid		3.12	21.00
Net Cash Flow Used In Operating Activities	A	<u>(5,69,407.55)</u>	<u>(1,78,881.53)</u>
B. Cash Flow From Investing Activities			
Net Cash Flow From Investing Activities	B	<u>-</u>	<u>-</u>
C. Cash Flow from Financing Activities			
Proceeds from issue of convertible equity warrants under preferential allotment including securities premium (net of issue expenses)		38,087.00	-
Secured Borrowings Received		24,36,110.75	13,60,620.32
Secured Borrowings Paid		(15,91,145.04)	(22,05,894.70)
Unsecured Borrowings Received		4,93,520.38	1,66,115.00
Unsecured Borrowings Paid		(7,37,220.38)	(1,58,005.00)
Finance Costs Paid		(69,926.65)	(4,775.45)
Net Cash Flow From / (Used in) Financing Activities	C	<u>5,69,426.06</u>	<u>(8,41,939.83)</u>
Net Increase / (Decrease) In Cash and Cash Equivalents	(A+B+C)	18.52	(10,20,821.36)
Cash and Cash Equivalents (Opening Balance)		75.58	10,20,896.94
Cash and Cash Equivalents (Closing Balance)		<u>94.10</u>	<u>75.58</u>
Cash & Cash Equivalents includes:			
a) Cash on Hand		46.70	28.14
b) Balance with Banks		47.40	47.44
		<u>94.10</u>	<u>75.58</u>
Material Accounting Policies and Other Notes Forming Integral Part of the Financial Statements	1 - 34		

AS PER OUR ATTACHED REPORT OF EVEN DATE

For LODHA & Co LLP

Chartered Accountants

Firm Registration No.301051E/E300284

For and on behalf of the Board of Directors

Sd/-
A M Hariharan

Partner
Membership No.038323

Mumbai; 24th May, 2024

Sd/-
A. D. JAIPURIA
Managing Director
DIN:00025537

Sd/-
A. A. JAIPURIA
Director
DIN:00025586

Sd/-
SANJAY NAWAL
Chief Financial
Officer

KIDUJA INDIA LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2024

A: Equity Share Capital

Particulars	(Rs. In '000)
Balance as at 1st April, 2022	17,150.00
Changes in equity share capital due to prior period errors	-
Restated balance as at the beginning of April 1, 2022	17,150.00
Changes in equity share capital	-
Balance as at 31st March, 2023	17,150.00
Changes in equity share capital due to prior period errors	-
Restated balance as at the beginning of April 1, 2023	17,150.00
Changes in equity share capital	2,850.00
Balance as at 31st March, 2024	20,000.00

B: Other Equity

Particulars	Money received against Convertible Equity Warrants	Capital Reserve - Amalgamation	Capital Reserve - Forfeiture	Securities Premium	Special Reserve	Surplus / (Deficit) in Profit & Loss	Total
Balance as at 1st April, 2022	-	605.58	650.00	1,950.00	13,127.00	(5,48,925.27)	(5,32,592.69)
Changes in accounting policy or prior period error	-	-	-	-	-	-	-
Restated balance as at the beginning of April 1, 2022	-	605.58	650.00	1,950.00	13,127.00	(5,48,925.27)	(5,32,592.69)
Profit / (Loss) for the year	-	-	-	-	-	(66,088.85)	(66,088.85)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
Balance as at 31st March, 2023	-	605.58	650.00	1,950.00	13,127.00	(6,15,014.12)	(5,98,681.54)
Changes in accounting policy or prior period error	-	-	-	-	-	-	-
Restated balance as at the beginning of April 1, 2023	-	605.58	650.00	1,950.00	13,127.00	(6,15,014.12)	(5,98,681.54)
Profit / (Loss) for the year	-	-	-	-	-	3,39,402.91	3,39,402.91
Share Issue Expenses	-	-	-	(413.00)	-	-	(413.00)
Issue of Convertible Equity Warrants	38,500.00	-	-	-	-	-	38,500.00
Conversion of Convertible Equity Warrants into equity shares (Refer Note 29)	(28,500.00)	-	-	25,650.00	-	-	(2,850.00)
Other comprehensive income (net of tax)	-	-	-	-	-	-	-
As at 31st March, 2024	10,000.00	605.58	650.00	27,187.00	13,127.00	(2,75,611.21)	(2,24,041.63)

Material Accounting Policies and Other Notes Forming Integral Part of the Financial Statements

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AS PER OUR ATTACHED REPORT OF EVEN DATE

For LODHA & CO LLP

Chartered Accountants
Firm Registration No.301051E/E300284

For and on behalf of the Board of Directors

Sd/-
A M Hariharan
Partner
Membership No.038323
Mumbai: 24th May, 2024

Sd/-
A. D. JAIPURIA
Managing Director
DIN:00025537

Sd/-
A. A. JAIPURIA
Director
DIN:00025586

Sd/-
SANJAY NAWAL
Chief Financial Officer

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended March 31, 2024

Note No. 1

A. CORPORATE INFORMATION

Kiduja India Limited is a public limited company incorporated under the Companies Act, 1956. The Equity Shares of the Company are listed on Bombay Stock Exchange (BSE). The Company is primarily engaged in business of Investments and dealing in Shares and Securities. The Company is registered as a Non Banking Financial Company (NBFC) with Reserve Bank of India and is classified as NBFC - Base Layer (NBFC-BL). The Company's registered office is at 127-B, Mittal Tower, Nariman Point, Mumbai, Maharashtra, India.

SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Statement of Compliance and Basis of Preparation and Presentation of Financial Statements

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules as amended and notified under section 133 of the Companies Act, 2013 ("the Act"), in conformity with the accounting principles generally accepted in India and other provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements. The Balance Sheet and Statement of Profit & Loss are prepared and presented in accordance with the format prescribed in the Division III to Schedule III to the Act applicable for Non Banking Finance Companies (NBFC).

(b) Functional and Presentation Currency

The financial statements are presented in INR, the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand as per the requirement of Schedule III, unless otherwise stated.

(c) Basis of Measurement

The financial statements of the Company have been prepared on the Accrual basis of accounting and Historical cost convention except for the following material items that have been measured at fair value as required by the relevant Ind AS:

(i) Certain Financial Assets and Liabilities are measured at Fair Value (Refer Note No. (h) and (i) below)

(d) Use of Estimates and Judgements

The preparation of the financial statements requires the Management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates. The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the management and are based on historical experience and various other assumptions and factors (including expectations of future events) that the management believes to be reasonable under the existing circumstances. Actual results may differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

(e) Property, Plant and Equipment (PPE)

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable costs of bringing the asset to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the item and restoring the site on which it is located.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit and Loss.

(f) Intangible Assets

Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

(g) Depreciation and Amortisation

(i) Property, Plant and Equipment

Depreciation has been provided on Written Down Value basis and in accordance with, method and useful life prescribed in Schedule II to the Companies Act, 2013. The residual values, useful lives and method of depreciation of property, plant and equipment is reviewed at the end of each financial year and adjusted prospectively, if appropriate.

(ii) Intangible Assets

The useful lives of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. The amortisation period and the amortisation method for finite life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate. For indefinite life intangible assets, the assessment of indefinite life is reviewed annually to determine whether it continues, if not, it is impaired or changed prospectively basis revised estimates.

(h) Financial Assets

Financial Assets are recognised when the Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets

All 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 and ancillary costs related to borrowings) 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 the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortized cost, fair value through Other Comprehensive Income ("FVTOCI") or fair value through profit or loss ("FVTPL") on the basis of following:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial assets.

Amortised Cost:

A financial asset is classified and measured at amortized cost if both of the following conditions are met:

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

Fair Value Through Other Comprehensive Income (FVTOCI):

A financial asset is classified and measured at FVTOCI if both of the following conditions are met:

- (i) the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- (ii) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value Through Profit or Loss (FVTPL):

A financial asset is classified and measured at FVTPL unless it is measured at amortized cost or at FVTOCI.

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

Equity Instruments:

Considering the entity's business model for managing equity instruments; the investments in equity shares are recognised at fair value as on date of balance sheet. Fair value movements are recognised in the other comprehensive income (OCI).

Dividends on these investments in equity instruments are recognised in Statement of Profit and Loss 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. Dividends recognised in Statement of Profit and Loss are included in the 'Other income'.

Impairment

The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, advances and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

The Company's Loans and trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-months expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL. The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement of impairment testing.

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.

In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

(i) Financial Liabilities

Initial Recognition and Measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts.

Subsequent Measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in the Statement of Profit & Loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit or loss.

Offsetting of Financial Instruments

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance Sheet, if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

(j) Fair Value Measurement

The Company measures financial instruments, such as, derivatives, investments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (a) In the principal market for the asset or liability, or
- (b) In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- (i) Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- (ii) Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- (iii) Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(k) Cash & Cash Equivalents

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

(l) Foreign exchange transactions & translations**a) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

b) Measurement of Foreign Currency items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

(m) Revenue from Contracts with Customers:**Effective Interest Rate Method**

Interest income is recognised in Statement of Profit and Loss using effective interest rate method for all financial instruments at amortised cost, debt instrument measured at FVOCI and debt instrument designated at FVTPL. The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument.

Calculation of effective interest includes transaction cost and fees that are an integral part of the contract. Transaction cost include incremental cost that are directly attributable to the acquisition of financial asset.

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk, the adjustment is recorded as positive or negative adjustment to the carrying amount of the asset, in the balance sheet, with an increase or reduction in interest income. The adjustment is subsequently amortised through interest income in the Statement of profit and loss.

Interest

The Company calculates interest income related to financing business by applying the EIR to the gross carrying amount of financial asset other than credit-impaired assets.

When a financial asset becomes credit- impaired, the Company calculates interest income by applying the effective interest rate to the net amortised cost of the financial asset. If the financial assets cures and is no longer credit impaired, the Company reverts to calculating interest income on a gross basis.

Dividend

Dividend Income is recognized when right to receive the same is established.

Gain on Sale of Investment / Financial Instruments

Net gain/loss on fair value changes and any realised gain or loss on sale of financial assets (including investments, derivatives and stock in trade) being classified as fair value through profit or loss ("FVTPL") is recognised as "Net gain or loss on fair value changes" under "Revenue from operations" or " Expenses" respectively in the statement of profit and loss.

Similarly, any differences between the fair values of financial assets (including investments, derivatives and stock in trade) being classified as fair value through profit or loss ("FVTPL"), held by the Company on the balance sheet date is recognised as an unrealised gain / loss.

In cases there is a net gain in the aggregate, the same is recognised as "Net gain on fair value changes" under "Revenue from operations" and if there is a net loss the same is disclosed as "Net loss on fair value changes" under " Expenses" in the statement of Profit and Loss.

(n) Employee Benefits

Liability towards leave entitlements (short term) of employees is determined as per rules of the Company and provided for. Liability towards Gratuity entitlement is determined as per provisions of the Payment of Gratuity Act, 1972 and provided for.

(o) Taxes on Income

Income Tax comprises of current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

(p) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

(q) Earning Per Share

Basic Earning Per Share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to the equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(r) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognized nor disclosed in financial statements.

(s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

(t) Leases

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (a) the contract involves the use of an identified asset
- (b) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (c) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short term leases) and leases of low value assets. For these short term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made. A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended 31st March, 2024

NOTES FORMING PART OF THE BALANCE SHEET

	As at 31st March 2024 (Rs. In '000)	As at 31st March 2023 (Rs. In '000)
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Note No. 2

CASH AND CASH EQUIVALENTS

Cash on hand	46.70	28.14
Balances with Banks in Current Accounts	47.40	47.44
	94.10	75.58

Note No. 3

TRADE RECEIVABLES

(Unsecured, Considered good)

Trade Receivables	-	1,820.61
	-	1,820.61

As at 31st March, 2024	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months- 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - (considered Goods)	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

As at 31st March, 2023	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months- 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivables - (considered Goods)	-	1,820.61	-	-	-	-	1,820.61
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit impaired	-	-	-	-	-	-	-

Note No. 4

INVESTMENTS

Carried at fair value through profit and loss

In Mutual Funds

*Exchange Traded Funds (Quoted)

Nippon India ETF Nifty IT (ITBEES) - Nil Units (31st March 2023 - 3,00,000 Units) Face Value Rs.10	-	8,952.00
Nippon India ETF ID Rate Liquid Bees - 0.689 Units (31st March 2023 - 0.639 Units) Face Value Rs.10	0.69	0.64
	0.69	8,952.64

*Others (Unquoted)

Aditya Birla Sun Life Infrastructure Fund - Nil Units (31st March 2023 - 34,69,663.915 Units) Face Value Rs.10	-	19,797.76
Aditya Birla Sun Life PSU Equity Fund - Nil Units (31st March 2023 - 21,89,288.433 Units) Face Value Rs.10	-	38,290.65
ICICI Prudential Commodities Fund - Nil Units (31st March 2023 - 13,63,964.594 Units) Face Value Rs.10	-	37,945.50
Quant Quantamental Fund - Nil Units (31st March 2023 - 34,39,185.293 Units) Face Value Rs.10	-	47,734.86
Quant Value Fund - Nil Units (31st March 2023 - 41,74,583.613 Units) Face Value Rs.10	-	45,597.72
Motilal Oswal BSE Enhanced Value Index Fund - 1,37,11,719.570 Units (31st March 2023 - Nil Units) Face Value Rs.10	3,04,380.98	-
Motilal Oswal BSE Low Volatility Index Fund - 1,94,07,586.206 Units (31st March 2023 - Nil Units) Face Value Rs.10	3,01,112.58	-
Motilal Oswal Nifty 200 Momentum 30 Index Fund - 2,03,88,280.282 Units (31st March 2023 - Nil Units) Face Value Rs.10	3,12,385.17	-
Motilal Oswal Nifty Bank Index Fund - 1,69,83,892.608 Units (31st March 2023 - Nil Units) Face Value Rs.10	2,92,909.31	-
	12,10,788.04	1,89,366.50

Total

12,10,788.73 **1,98,319.13**

Aggregate carrying value of quoted Investments	0.69	8,952.64
Aggregate market value of quoted Investments	0.69	8,952.64
Aggregate carrying value of unquoted Investments	12,10,788.04	1,89,366.50
Aggregate amount of impairment in value of Investments	-	-

* All the investments have been pledged against Loan from a body corporate

KIDUJA INDIA LIMITED

NOTES FORMING PART OF THE BALANCE SHEET

	As at 31st March 2024 (Rs. In '000)	As at 31st March 2023 (Rs. In '000)		
Note No. 5				
OTHER FINANCIAL ASSETS				
(Unsecured, Considered good)				
Deposits	17.94	17.94		
Advance to Employees	479.00	8.00		
	496.94	25.94		
Note No. 6 (a)				
CURRENT TAX ASSETS:				
Tax Deducted at Source (Net of Income Tax Provision Rs. Nil; Previous year Rs. Nil)	47.07	43.95		
	47.07	43.95		
Note No. 6 (b)				
OTHER NON-FINANCIALS ASSETS :				
(Unsecured, Considered good)				
Advance given for service	-	25.00		
Prepaid Expenses	8.34	-		
	8.34	25.00		
Note No. 7				
TRADE PAYABLES				
Trade Payables				
(i) Total outstanding dues of Micro Enterprises and Small Enterprises	-	-		
(ii) Total outstanding dues of Creditors other than Micro Enterprises and Small Enterprises	1,596.54	738.06		
(Refer Note No.19 for disclosure under Micro, Small and Medium Enterprises Development Act, 2016)	1,596.54	738.06		
As at 31st March, 2024				
	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following period from due date of payment				
Less than 1 year	-	604.51	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	992.03	-	-
Total	-	1,596.54	-	-
As at 31st March, 2023				
	Undisputed		Disputed	
	MSME	Others	MSME	Others
Outstanding for following period from due date of payment				
Less than 1 year	-	257.57	-	-
1-2 years	-	-	-	-
2-3 years	-	-	-	-
More than 3 years	-	-	-	-
Not due	-	-	-	-
Unbilled	-	480.49	-	-
Total	-	738.06	-	-
Note No. 8				
BORROWINGS				
Secured Loans, (at Amortised Cost)				
Loan from a body corporate (short term)	10,20,978.95	1,56,942.46		
(Secured by way of pledge of securities of the Company and further secured by equitable mortgage of immovable property of an associate M/s. Jaipuria Residency Pvt. Ltd & personal guarantee of Managing Director of the Company. The line of credit carrying interest ranging from 9.50% to 9.70% p.a.(Previous year 9.30%). The Interest is payable on quarterly basis. Loan is repayable by 16th July, 2024 (Previous year 16th July, 2023) unless it is renewed.	10,20,978.95	1,56,942.46		
Unsecured Loans, (at Amortised Cost)				
Loans from Related Parties bearing interest 6% p.a (Previous year 4.50 % p.a)	3,82,592.96	2,79,791.83		
Loans from Related Parties Interest free	-	3,40,000.00		
Above Loans are repayable on 30th September, 2024 (Previous year 30th September, 2023)	3,82,592.96	6,19,791.83		
Total	14,03,571.92	7,76,734.29		
Borrowings outside India	-	-		
Borrowings in India	14,03,571.92	7,76,734.29		
	14,03,571.92	7,76,734.29		
Note No. 9				
PROVISIONS				
Provision for Employee Benefits - Gratuity	2,489.08	2,220.98		
	2,489.08	2,220.98		
Note No. 10				
OTHER NON-FINANCIAL LIABILITIES				
Statutory Dues Payable	7,819.27	2,148.43		
	7,819.27	2,148.43		

NOTES FORMING PART OF THE BALANCE SHEET

	As at 31st March 2024 (Rs. In '000)	As at 31st March 2023 (Rs. In '000)
Note No. 11		
SHARE CAPITAL		
AUTHORISED		
24,00,000 (Previous year 17,50,000) Equity Shares of Rs.10 each	24,000.00	17,500.00
ISSUED, SUBSCRIBED AND PAID-UP		
20,00,000 (Previous year 17,50,000) Equity Shares of Rs.10 each, fully paid up	20,000.00	17,150.00

A. Reconciliation of the number of Shares outstanding as at 31-Mar-2024

Particulars	As at 31st March 2024		As at 31st March 2023	
	Nos.	(Rs. In '000)	Nos.	(Rs. In '000)
Shares outstanding at the beginning of the year	17,15,000	17,150.00	17,15,000	17,150.00
Shares issued during the year (Refer Note No 29)	2,85,000	2,850.00	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	20,00,000	20,000.00	17,15,000	17,150.00

B. The Company has issued one class of equity shares having a face value of Rs.10 per share. Each shareholder has right to vote in respect of such share on every resolution placed before the Company and his voting right on a poll shall be in proportion to his share of the paid-up equity capital of the Company. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company after payments to secured and unsecured creditors, in proportion to their shareholding.

C. Details of Shares held by Shareholders holding more than 5% of the aggregate shares in the Company.

Name of Shareholder	No. of Shares	% of Total Holding
Mr. Ashish D. Jaipuria		
As at 31-Mar-2024	11,20,000	56.00
As at 31-Mar-2023	11,15,000	65.01

Shares held by Promoters at the end of the year

Name of the Promoter	As at 31st March 2024		As at 31st March 2023	
	No. of Shares	%of total Shares	No. of Shares	%of total Shares
Mr. Ashish D. Jaipuria	11,20,000	56.00	11,15,000	65.01
Mr. Ujjval A. Jaipuria	1,40,000	7.00	-	-
Mr. Kushal A. Jaipuria	1,40,000	7.00	-	-

D. Particulars of shares allotted (without payment being received in cash) / bought back during 5 years immediately preceding 31-Mar-2024

Particulars	Aggregate number of shares (for last 5 Financial Years)
Allotted pursuant to contract(s) without payment being received in cash	Nil
Allotted by way of bonus shares	Nil
Shares bought back	Nil

Note No. 12**OTHER EQUITY****a) Convertible Equity Warrants**

As per last Balance Sheet	-	-
Issue of Convertible Equity Warrants	38,500.00	-
Less: Issued on conversion into equity shares (Refer Note No.29)	(28,500.00)	-
Closing Balance	10,000.00	-

b) Capital Reserve No. 1

As per last Balance Sheet	605.58	605.58
Closing Balance	605.58	605.58

c) Capital Reserve No. 2

As per last Balance Sheet	650.00	650.00
Closing Balance	650.00	650.00

d) Securities Premium

As per last Balance Sheet	1,950.00	1,950.00
Add: On allotment of equity shares (Refer Note 29)	25,650.00	-
Less: Share Issue Expenses	(413.00)	-
Closing Balance	27,187.00	1,950.00

e) Special Reserve

As per last Balance Sheet	13,127.00	13,127.00
Closing Balance	13,127.00	13,127.00

f) Surplus / (Deficit) in Statement of Profit & Loss

As per last Balance Sheet	(6,15,014.12)	(5,48,925.27)
Add: Profit / (Loss) for the year	3,39,402.91	(66,088.85)
Closing Balance	(2,75,611.21)	(6,15,014.12)
TOTAL	(2,24,041.63)	(5,98,681.54)

Nature and purpose of reserves:

- Capital Reserve No. 1 - Represents reserve arising upon amalgamation of a Company
- Capital Reserve No. 2 - Represents reserve arising upon re-issue of forfeited shares
- Securities Premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013
- Special Reserve - Represents reserve created pursuant to the NBFC regulations
- Surplus/(deficit) in Statement of Profit & Loss - Represents retained earnings pertain to the accumulated earnings/(losses) made by the Company over the years

KIDUJA INDIA LIMITED

NOTES FORMING PART OF STATEMENT OF THE PROFIT AND LOSS

	Year ended 31st March 2024 (Rs. In '000)	Year ended 31st March 2023 (Rs. In '000)
Note No. 13		
Revenue from Operations - Net gain / (loss) on fair value changes		
On financial instruments designated as fair value through profit & loss		
- Profit / (Loss) on Investments (Net)	4,52,642.85	(50,099.29)
- Profit / (Loss) on Trading in Derivatives (Net)	(2,375.37)	9,546.37
- Profit due to fair value change	-	-
- Profit / (Loss) on Shares	-	-
Dividend	1.23	221.64
	4,50,268.71	(40,331.28)
Fair value changes		
- Realised	4,29,421.19	29,188.36
- Unrealised	20,847.52	11,364.55
	4,50,268.71	40,552.91
Note No. 14		
FINANCE COST		
Interest on		
Borrowings	93,960.85	17,027.36
Others	-	21.20
Other Borrowing Costs	1,537.72	-
	95,498.57	17,048.56
Note No. 15		
EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	5,105.59	5,139.63
Staff Welfare Expenses	404.70	77.42
	5,510.29	5,217.06
Note No. 16		
OTHER EXPENSES		
Repairs & Maintenance - Building	104.47	104.75
- Others	151.70	74.75
Electricity Expenses	380.14	293.70
Legal and Professional Charges	1,514.80	339.25
Motor Car Expenses	554.43	415.00
Telecommunication Expenses	161.04	144.89
Registrar & Transfer Agent Expenses	90.47	81.30
Auditors' Remuneration :		
Audit Fees (includes for Previous year Rs.150 thousands)	550.00	250.00
Tax Audit Fees (in the Previous year includes Rs.150 thousands for earlier year)	150.00	300.00
Certification Fees	17.70	-
Out of Pocket expenses including GST	126.00	99.00
Listing Fees	383.50	354.00
Custodian Charges	51.38	39.15
Business Promotion & Networking Expenses	92.70	123.92
Membership & Subscription Fees	1,002.24	380.55
Margin short fall penalty	0.33	375.56
Rates & Taxes	550.52	2.50
Donations	17.48	-
Portfolio Consolidation Services	2,000.00	-
Miscellaneous Expenses	1,958.04	113.64
	9,856.95	3,491.96

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended 31st March, 2024

Note No. 17	For year ended	For year ended
Income Tax	31st March 2024	31st March 2023
	(Rs. In '000)	(Rs. In '000)
(a) Tax expense recognised in the Statement of Profit and Loss:		
Current Tax Expense	-	-
Total Current Tax	-	-
Deferred Taxes	-	-
Total Income Tax Expense / (Credit)	-	-

A reconciliation between the statutory income tax rate applicable to the Company and the effective income tax rate of the Company is as follows:

(b) Reconciliation of Effective Tax Rate		
Profit / (loss) Before Taxation	3,39,402.91	(66,088.85)
Enacted Income Tax rate in India	25.17%	25.17%
Tax at the enacted Income Tax Rate	85,427.71	(16,634.56)
Reconciliation line items:		
Tax benefit not recognised on accumulated tax losses (which was not recognised in earlier years)	(85,427.71)	16,634.56
Others	-	-
Tax Expense Charge / (Credit)	-	-

Details of Tax Losses and Unabsorbed Depreciation

The Company has unused tax losses of Rs.2,13,285.09 thousand (as at 31st March, 2023 - Rs.5,95,345.84 thousand). These losses can be carried forward for 8 assessment years. The Company has not recognised any tax credit on the same in view of uncertainty as to recoverability of those losses.

Note No. 18

Disclosure Pursuant to IND AS - 19 "Employee Benefits"

The Company has made provision for leave entitlement and gratuity as per its Accounting Policies as stated in Note No.1 above which is in variance with Ind AS 10 - Employee Benefits. However, the same does not have material impact on the financial statements of the Company.

Note No. 19

Micro, Small and Medium Enterprises (MSME)

The details of amounts outstanding to Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the available information with the Company are as under:

Particulars	As at	As at
	31st March 2024	31st March 2023
Principal amount due and remaining unpaid	Nil	Nil
Interest due on (1) above and the unpaid interest	Nil	Nil
Interest paid on all delayed payments under the MSMED Act	Nil	Nil
Payment made beyond the appointed day during the year	Nil	Nil
Interest due and payable for the period of delay other than (3) above	Nil	Nil
Interest accrued and remaining unpaid	Nil	Nil
Amount of further interest remaining due and payable in succeeding years	Nil	Nil

Note No. 20

Earnings Per Share

Particulars	Year ended	Year ended
	31st March 2024	31st March 2023
Net Profit / (Loss) for the year (Rs. In '000)	3,39,402.91	(66,088.85)
Weighted Average number of Equity Shares outstanding for computing	17,17,342.00	17,15,000.00
Add: weighted average number of potential equity shares on account of	4,00,000.00	-
Weighted Average number of Equity Shares outstanding for computing	21,17,342.00	-
Nominal Value of Equity Share Rs.	10.00	10.00
Basic Earnings Per Equity Share	197.63	(38.54)
Diluted Earnings Per Equity Share	160.30	(38.54)

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended 31st March, 2024

Note No. 21

Contingent Liabilities and Commitments

Particulars	As At 31st March 2024 (Rs. In 000)	As At 31st March 2023 (Rs. In 000)
(i) Disputed BSE Penalty Charges	-	1,892.90
(ii) Other statutory non-compliance	Not ascertainable	Not ascertainable

The Company has reviewed all its pending litigations and proceedings and has made adequate provisions, wherever required and disclosed the contingent liabilities, wherever applicable, in its financial statements. The Company does not reasonably expect the outcome of these proceedings to have a material impact on its financial statements.

Note No. 22

Segment Reporting

The Company's Board of Directors consisting of Managing Director has been identified as the Chief Operating Decision Maker (CODM) as defined under Ind AS 108 "Operating Segments". The CODM evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators. The Company is primarily engaged in business of Investments and dealing in shares, securities and derivative instruments for the purpose of reporting under Ind AS 108 - on "Segment Reporting".

Note No. 23

Related Party disclosure under Ind AS 24

Name and description of Related Parties with whom transaction taken place

Name	Relationship
A. Key Management Personnel	
Mr. Ashish D. Jaipuria (Controlling Party)	Managing Director
Mrs. Archana A. Jaipuria	Director
Mr Ujjval A Jaipuria	Non-Executive Director
Mr Kushal A Jaipuria	Non-Executive Director
Mr Darshan Kumar Jain	Chief Financial Officer upto 31-03-2023
Mr Sanjay Nawal	Chief Financial Officer w.e.f 03-04-2023
Ms Pooja Chavan	Company Secretary
B. Other Parties	
Jaipuria Enterprises Private Limited	KMP having significant control
Jaipuria Residency Private Limited	KMP having significant control

Transactions during the year with Related Parties:

Name of Related Party	For year ended 31st March 2024 (Rs. In '000)	For year ended 31st March 2023 (Rs. In '000)
A. Key Management Personnel:		
Mr. Ashish D. Jaipuria		
- Remuneration Paid	1,300.00	1,300.00
- Loan taken	2,60,342.98	69,281.00
- Repayment of Loan	3,55,342.98	75,166.00
- Interest given on loan taken	4,866.39	-
- Issue of Equity Shares	500.00	-
- Issue of Convertible Equity Warrants	20,000.00	-
Mrs. Archana A. Jaipuria		
- Loan taken	2,16,627.40	96,334.00
- Repayment of Loan	3,71,627.40	76,434.00
- Interest given on loan taken	4,548.51	-
Mr Ujjval A Jaipuria		
- Issue of Equity Shares	14,000.00	-
- Issue of Convertible Equity Warrants	10,000.00	-
Mr Kushal A Jaipuria		
- Issue of Equity Shares	14,000.00	-
- Issue of Convertible Equity Warrants	10,000.00	-
Mr. Darshan Kumar Jain CFO		
- Remuneration	-	739.89
Mr. Sanjay Nawal, CFO		
- Remuneration	797.98	-
- Loan given	400.00	-
Ms Pooja Chavan		
Remuneration Paid	483.13	184.54

B. Associates:**Jaipuria Enterprises Pvt. Ltd.**

- Loan taken	16,550.00	500.00
- Repayment of Loan	10,250.00	6,405.00
Interest provided	16,333.27	12,222.84

Jaipuria Residency Pvt. Ltd.

- Security provided in the form of equitable mortgage of immovable property	2,37,300.00	2,37,300.00
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Balances as at year end:**Loan taken****Loan taken**

	As at 31st March 2024 (Rs. In '000)	As at 31st March 2023 (Rs. In '000)
Mr. Ashish D. Jaipuria	90,000.00	1,85,000.00
Mrs. Archana A. Jaipuria	-	1,55,000.00
Jaipuria Enterprises Pvt. Ltd.	3,08,926.23	2,78,022.84

Loan given

Mr. Sanjay Nawal, CFO	394.00	-
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Outstanding Guarantees

Jaipuria Residency Pvt. Ltd and Mr Ashish D Jaipuria	10,20,978.95	1,56,915.25
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Remuneration payable

Mr. Ashish D. Jaipuria	69.00	-
Mr. Darshan Kumar Jain	-	56.89
Ms Pooja Chavan	90.43	26.27
Mr. Sanjay Nawal, CFO	124.18	-

1. Related parties are as identified by the Company and relied upon by the Auditors.

2. No amount pertaining to Related Parties have been provided for as doubtful debts / written back.

3. Terms and conditions of transactions with related parties: the transactions with the related parties are in the ordinary course of business based on normal commercial terms, conditions and market rates.

4. Above Remuneration excludes

Post employment benefits :

Mr. Ashish D. Jaipuria	57.69	519.23
Mr. Sanjay Nawal, CFO	34.62	-
Mr. Darshan Kumar Jain, CFO	-	34.62
Ms Pooja Chavan	20.60	20.60

KIDUJA INDIA LIMITED

Notes to the Financial Statements for the year ended 31st March , 2024

Note No. 24

Financial Instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following Methods and Assumptions were used to estimate the Fair Values:

1. Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

2. Financial instruments with fixed and variable interest rates are evaluated by the Company based on parameters such as interest rates and individual credit worthiness of the counterparty. Based on this evaluation, allowances are taken to account for expected losses of these receivables. Accordingly, fair value of such instruments is not materially different from their carrying amounts.

The Carrying Amounts and Fair Values of Financial Instruments by category are as follows:

	FVTPL	Amortised Cost	Fair Value	(Rs. In '000) Total Carrying Value
As at 31st March, 2024				
Financial Assets				
Cash and Cash Equivalents	-	94.10	94.10	94.10
Trade Receivable	-	-	-	-
Investments	12,10,788.73	-	12,10,788.73	12,10,788.73
Other Financial Assets	-	496.94	496.94	496.94
	12,10,788.73	591.04	12,11,379.77	12,11,379.77
Financial Liabilities				
Trade Payables	-	1,596.54	1,596.54	1,596.54
Borrowings	-	14,03,571.92	14,03,571.92	14,03,571.92
	-	14,05,168.46	14,05,168.46	14,05,168.46
As at 31st March, 2023				
Financial Assets				
Cash and Cash Equivalents	-	75.58	75.58	75.58
Trade Receivable	-	1,820.61	1,820.61	1,820.61
Investments	1,98,319.13	-	1,98,319.13	1,98,319.13
Other Financial Assets	-	25.94	25.94	25.94
	1,98,319.13	1,922.13	2,00,241.26	2,00,241.26
Financial Liabilities				
Trade Payables	-	738.06	738.06	738.06
Borrowings	-	7,76,734.29	7,76,734.29	7,76,734.29
	-	7,77,472.35	7,77,472.35	7,77,472.35

Fair Value Estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The Company uses the following hierarchy for determining and disclosing the Fair Value of Financial

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable,

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on

For assets and liabilities which are carried at fair value, the classification of fair value calculations by category is summarised below:

	Level 1	Level 2	(Rs. In '000) Level 3
March 31, 2024			
Investments in Mutual Funds / Equity Shares	12,10,788.73	-	-
March 31, 2023			
Investments in Mutual Funds / Equity Shares	1,98,319.13	-	-

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended 31st March, 2024

Note No. 25

Capital Management

The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and maintain an optimal capital structure to reduce the cost of capital. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Management considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Particulars	(Rs. In '000)	
	As at 31st March, 2024	As at 31st March, 2023
Borrowings	14,03,571.92	7,76,734.29
Less: Cash and Cash Equivalents	94.10	75.58
Net Debts (A)	14,03,477.82	7,76,658.71
Equity	20,000.00	17,150.00
Other Equity	(2,24,041.63)	(5,98,681.54)
Total Equity (B)	(2,04,041.63)	(5,81,531.54)
Gearing Ratio (Negative)	(6.88)	(1.34)

Note No. 26

Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings, advances and trade and other payables. The purpose of these financial liabilities is to finance the Company's operations and to provide to support its operations. The Company's principal financial assets include loans, Investments, trade and other receivables, and cash and cash equivalents that derive directly from its operations.

The Company's activities exposes it to Liquidity Risk, Market Risk and Credit risk. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised as below.

Liquidity Risk

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk management implies maintenance of sufficient cash including availability of funding through an adequate amount of committed credit facilities to meet the obligations as and when due.

The Company does not have any undrawn borrowing facilities as on March 31, 2024 and March 31, 2023. The borrowings availed by the Company is from the Promoters and as per contractual terms they are short term in nature

(ii) The following is the Contractual Maturities of the Financial Liabilities:

	(Rs. In '000)			
	Carrying Amount	1 - 12 Months	12 - 24 Months	24 - 36 Months
As at March 31, 2024				
Non-Derivative Liabilities				
Borrowings	14,03,571.92	14,03,571.92	-	-
Trade Payables	1,596.54	1,596.54	-	-
As at March 31, 2023				
Non-Derivative Liabilities				
Borrowings	7,76,734.29	4,96,942.46	2,79,791.83	-
Trade Payables	738.06	738.06	-	-

Credit Risk

Credit risk is the risk of financial loss to the Company if a broker of Recognised Stock Exchange or counter-party to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The following table sets out the information about the credit quality of financial assets measured at amortised cost.

Particulars	(Rs. In '000)	
	As at 31st March, 2024	As at 31st March, 2023
Trade Receivable (Receivable from stock broker)	-	1,820.61
Less: Allowance carrying amount	-	-
Total	-	1,820.61

(ii) Other financial assets

The Company has exposure in cash and cash equivalent, deposits and employee loans carried at amortised cost. The investments are carried at fair value. The Company's maximum exposure to credit risk as at 31st March, 2024 is the carrying value of each class of financial assets as on that date.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has borrowings bearing fixed rate of interest.

Price Risk

The Company is exposed to equity price risk arising from investments held by the Company and classified in the balance sheet at fair value through profit or loss.

Sensitivity analysis - Equity price risk

The table below summaries the impact of increases / decreases of the index on the Company's equity and profit for the year. The analysis is based on the assumption that the equity / index had increased by 2% or decreased by 2% with all other variables held constant, and that all the Company's investments in equity instruments moved in line with the index.

Particulars	(Rs. In '000)	
	As at 31st March, 2024	As at 31st March, 2023
NSE / BSE Index - increased by 2%	24,215.77	3,966.38
NSE / BSE Index - decreased by 2%	(24,215.77)	(3,966.38)

Note No. 27

Going Concern:

The financial statements of the Company have been prepared on the principles of a going concern basis, which contemplated the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has been incurring losses for the past few years and its net worth has been fully eroded. Also, the Company's financial liabilities exceeded its financial assets as on 31st March, 2024. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, in view of profit earned during the year, as also comfort received from the promoters to the effect that they will be continuing to provide financial support to the Company, these financial statements have been prepared on a going concern basis

Note No. 28

Recent Accounting Pronouncements

There has been no announcements in respect of amendments / announcement in IND AS applicable for next

Note No. 29

Convertible Equity Warrants

During the year, Company has issued 6,85,000 Convertible Equity Warrants at a price of Rs.100 each entitling them for subscription of equivalent number of equity shares of Rs.10 each (including premium of Rs.90 each share) to Promoter and Promoter Group on private placement basis on 16th March, 2024 against receipt of subscription of Rs.17,125.00 thousands (25% of the warrants value) in accordance with Chapter V of SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2018. The holder of the warrants would need to exercise the option to subscribe to equity shares before the expiry of 18 months from the date of allotment made on 16th March, 2024 by paying the balance 75% of the consideration of warrants. In case of non payment of the balance amount before the expiry period, the application money will be forfeited.

Out of the above issue, on exercise of the option by holders of warrants, the Company has issued and allotted of 2,85,000 equity share of Rs.10 each (including premium of Rs.90 each share) on 28th March, 2024 on receipt of balance 75% of warrant amount i.e. Rs 21,375.00 thousands.

The funds have been utilised for the purpose for which it were raised.

KIDUJA INDIA LIMITED

Note No. 30 - Analytical Ratios :

Sr. No.	Particulars	For the year ended 31st March, 2024			For the year ended 31st March, 2023	Variance (%)
		Numerator	Denominator	Ratios	Ratios	
1	Capital to risk-weighted assets ratio (CRRR)	(Tier 1 Capital + Tier 2 Capital)	Risk-weighted assets	N/A	N/A	N/A
2	TIER (I) CRAR	Tier 1 Capital	Risk-weighted assets	N/A	N/A	N/A
3	TIER (II) CRAR	Tier 2 Capital	Risk-weighted assets	N/A	N/A	N/A
4	Liquidity Coverage Ratio	High Quality Liquid asset amount (HQLA)	Total net cash flow amount	0.00	(0.00)	0.03%

Note No. 31 - Other statutory information:

- (i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding
- (ii) The Company does not have any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) whose title deeds are not held in the name of the company.
- (iii) The Company does not have any transactions with companies struck off.
- (iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (ix) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (x) The Company is not declared wilful defaulter by and bank or financials institution or lender during the year.

Note No. 32 - The financial statements were approved for issue by the Board of Directors on 24th May, 2024

Note No. 33 - The figures of the previous years have been regrouped or reclassified wherever necessary to make them comparable.

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended 31st March, 2024

Note No. 34

Schedule of a Non-deposit taking non-banking financial company

[as required in terms of Para 31 of Master Direction - Reserve Bank of India (Non-Banking Financial

(Rs. In '000)		
Particulars	Amount Outstanding	Amount Overdue
LIABILITIES SIDE:		
Loans and Advances availed by the NBFC inclusive of interest accrued thereon but not paid:		
(a) Debentures: (other than falling within the meaning of public		
- Secured	Nil	Nil
- Unsecured	Nil	Nil
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-Corporate Loans and Borrowings	14,03,571.92	Nil
(e) Commercial Paper	Nil	Nil
(f) Other Loans (specify nature) - Secured Loan	Nil	Nil
Break-up of Loans and Advances including bills receivables [other than those included in (3) below]		
(a) Secured	Nil	
(b) Unsecured	Nil	
Break up of Leased Assets and Stock on Hire and other assets counting towards AFC activities		
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	Nil	
(b) Operating lease	Nil	
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	Nil	
(b) Repossessed Assets	Nil	
(iii) Other loans counting towards AFC activities:		
(a) Loans where assets have been repossessed	Nil	
(b) Loans other than (a) above	Nil	
Breakup of Investments		
Current Investments:		
1. Quoted:		
(i) Shares: (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of Mutual Funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
2. Unquoted:		
(i) Shares: (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of Mutual Funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
Long Term investments:		
1. Quoted:		
(i) Shares: (a) Equity	Nil	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of Mutual Funds	Nil	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	
2. Unquoted:		
(i) Shares: (a) Equity	3,01,112.58	
(b) Preference	Nil	
(ii) Debentures and Bonds	Nil	
(iii) Units of Mutual Funds	12,10,788.04	
(iv) Government Securities	Nil	
(v) Others (please specify)	Nil	

KIDUJA INDIA LIMITED
Notes to the Financial Statements for the year ended 31st March, 2024

Borrower group-wise classification of assets financed as in (2) and (3) above:

Category	Amount Net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	Nil	Nil
Total	Nil	Nil	Nil

Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/ Breakup or Fair Value or NAV	Book Value (Net of Provisions)
1. Related Parties		
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than Related Parties	12,10,788.73	12,10,788.73
Total	12,10,788.73	12,10,788.73

Other information

(i) Gross Non-Performing Assets

- | | Amount |
|--------------------------------|--------|
| (a) Related Parties | Nil |
| (b) Other than Related Parties | Nil |

(ii) Net Non-Performing Assets

- | | |
|--------------------------------|-----|
| (a) Related Parties | Nil |
| (b) Other than Related Parties | Nil |

(iii) Assets acquired in satisfaction of debt

Nil

For and on behalf of the Board of Directors

Place: Mumbai
Date: 24th May, 2024

Sd/-
A. D. JAIPURIA
 Managing Director
 DIN:00025537

Sd/-
A. A. JAIPURIA
 Director
 DIN:00025586

Sd/-
SANJAY NAWAL
 Chief Financial
 Officer