CIN: L65910PB1981PLC023058
GSTIN: 03AAACK4419L1ZO
PAN: AAACK4419L
Email: kovalam@owmnahar.com

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

REGD. OFFICE: PREMISES OSWAL WOOLLEN MILLS LTD, G.T. ROAD, SHERPUR, LUDHIANA-141003

May 31, 2022

Corporate Relations Department
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

Scrip Code: 505585

Sub.: 40th Annual Report of the Company for the Financial Year 2021-2022.

Dear Sir/ Madam,

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith 40th Annual Report of the Company for the financial year 2021-2022 along with the Notice convening the 40th Annual General Meeting (AGM) of the Company scheduled to be held on Monday, the 27th day of June, 2022 at 04:00 P.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

In compliance with relevant circulars issued by Ministry of Corporate Affairs and the Securities and Exchange Board of India, the Notice convening the 40th AGM and the Annual Report of the Company for the financial year 2021-2022 is also being sent through electronic mode to all the Members of the Company whose email addresses are registered with the Company/Company's Registrar and Transfer Agent i.e. Alankit Assignments Limited/ Depository Participant(s).

The 40th Annual Report for the financial year 2021-2022 including the Notice convening the 40th AGM is also available on the website of the Company at http://www.owmnahar.com/kovalam/annual-reports.php

This is for your information and record.

Thanking you,
Yours Truly,

For Kovalam Investment and Trading Company Limited

JYOTI SUD
Digitally signed by JYOTI SUD
Date: 2022.05.31 12:13:21 +05'30'

(Jyoti Sud)
Company Secretary and Compliance Officer

Enclosed: as above

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

40th

ANNUAL

REPORT

2021-2022

BOARD OF DIRECTORS

Smt. Manisha Oswal
Sh. Navdeep Sharma
Sh. Komal Jain
Sh. Faqir Chand Jandey
(Resigned w.e.f. 16.03.2022)
Dr. Suresh Kumar Singla
(Appointed w.e.f. 30.03.2022)

KEY MANAGERIAL PERSONNEL

Sh. Mohinder Kumar Jain, Manager
(resigned w.e.f. 01.06.2021)
Sh. Jai Karan Singh, Manager
(appointed w.e.f. 13.08.2021)
Ms. Jyoti Sud, Company Secretary Cum CFO

REGISTERED OFFICE

Premises Oswal Woollen Mills Limited,
G.T. Road, Sherpur, Ludhiana-141003,
Punjab

BANKERS

Indian Bank
ICICI Bank Ltd

AUDITORS

M/s. YAPL & Co.
Chartered Accountants,
102-Kismat Complex,
G.T. Road, Miller Ganj,
Ludhiana – 141 003

REGISTRAR AND SHARE TRANSFER AGENT

Alankit Assignments Limited
Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

Regd. Office: Premises Oswal Woollen Mills Ltd, G.T Road, Sherpur, Ludhiana 141003, Punjab.
Ph: 0161-5066605, Fax: 0161-5066602
Email: kovalam@owmnahar.com, Website: www.owmnahar.com

40th ANNUAL GENERAL MEETING

Day : Monday

Date : 27th June, 2022

Time : 4:00 P.M

through Video Conferencing (VC) or Other Audio Visual Means (OAVM)

KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

(CIN: L65910PB1981PLC023058)
Regd. Office: Premises Oswal Woollen Mills Ltd, G.T. Road, Sherpur, Ludhiana-141003
Tel.: 0161-5066605, Website: www.owmnahar.com, Email: kovalam@owmnahar.com

NOTICE

Notice is hereby given that the 40th Annual General Meeting of the Members of **Kovalam Investment and Trading Company Limited** will be held on Monday, the 27th day of June, 2022 at 4:00 P.M. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statements for the financial year ended on 31.03.2022 and the Reports of Board of Directors and Auditors thereon.

2. To appoint Director in place of **Sh. Navdeep Sharma (DIN: 00454285)** who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

3. **Re-appointment of Statutory Auditors of the Company and to fix their remuneration** and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s YAPL & Co., Chartered Accountants (Firm Registration No. 017800N), be and is hereby re-appointed as Statutory Auditors of the Company to hold office for term of 5 (Five) consecutive years commencing from conclusion of 40th (Fortieth) Annual General Meeting till the conclusion of 45th (Forty Fifth) Annual General Meeting of the Company to be held in the year 2027, at a remuneration of Rs. 20,000/- (Rupees Twenty Thousand only) to conduct the audit for the financial year 2022-23, payable in one or more installments and reimbursement of expenses plus goods and services tax as applicable and reimbursement of out-of-pocket expenses incurred.

   RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

SPECIAL BUSINESS:

4. **To appoint Dr. Suresh Kumar Singla (DIN: 00403423) as an Independent Director of the Company** and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 and any other applicable rules made thereunder, read with Schedule IV of the Act and Regulation 16(1)(b) and Regulation 25 of the SEBI (Listing Obligations

and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') (including any statutory modification(s) or re-enactment thereof for the time being in force), on the basis of the recommendation and approval of the Nomination and Remuneration Committee and the Board of Directors of the Company, respectively and in respect of whom the Company has received notice under Section 160 of the Companies Act, 2013, Dr. Suresh Kumar Singla (DIN : 00403423), who was appointed as an Additional Director (Non-Executive Independent) of the Company with effect from March 30, 2022, pursuant to Section 161 of the Act and Articles of Association of the Company and who has submitted a declaration that he meets the criteria of Independence as provided under the Act and the Listing Regulations, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from March 30, 2022 to March 29, 2027, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Approval of continuation of holding of office as Non-Executive Independent Director By Dr. Suresh Kumar Singla (DIN: 00403423), upon attaining the age of 75 years** and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Regulation 17 (1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 read with the provisions of Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), consent and approval of the Members be and is hereby accorded for continuation of holding of office as Non-Executive Independent Director of the Company by Dr. Suresh Kumar Singla (DIN: 00403423), upon attaining the age of 75 years on July 07, 2025, upto the expiry of his present term of office up to March 29, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. **To approve Material Related Party Transactions of the Company** and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ("Listing Regulations"), the applicable provisions of the Companies Act, 2013 ("Act") read with Rules made thereunder, other applicable laws / statutory provisions, if any, (including any statutory modification(s) or amendment (s) or re-enactment(s) thereof, for the time being in force), the Company's policy on Related Party transaction(s), and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and basis the approval and recommendation of the Audit Committee and the Board of Directors of the Company, the approval of the Members of the Company be and is hereby accorded to the Company to enter/continue to enter into Material Related Party Transaction(s)/Contract(s)/Arrangement(s)/ Agreement(s) (whether by way of an individual transaction or transactions taken together or series of transactions or otherwise) with entities falling within the definition of 'Related Party' under

Regulation 2(1)(zb)of the Listing Regulations and any other applicable regulations if any to transactions the details of which are more particularly set out in the explanatory statement of this Notice, provided however that the aggregate amount/value of all such arrangements/ transactions contracts that to be entered into by the Company with the Related Party and remaining outstanding at any one point in time shall not exceed the limits mentioned below, during the financial year 2022-2023, on such terms and conditions as may be considered appropriate by the Board of Directors of the Company, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

Name of Related Party and Nature of Relationship	**Type of Transaction(s)**	**Value of Transactions (Rs. in crore) and Tenure of Transactions**
Oswal Woollen Mills Ltd (Promoter Group Company)	Loans and Advances and others	Aggregate value of transactions for the financial year 2022-2023 should not exceed Rs. 25.00 crore.
Sankheshwar Holding Company Limited (Promoter Group Company)	Sale and Purchase of Investments	Aggregate value of transactions for the financial year 2022-2023 should not exceed Rs. 5.00 crore.
J L.Growth Fund Limited (Promoter Group Company)	Online Facility for payment of taxes and other payments to Government Authority(ies)	Aggregate value of transactions for the financial year 2022-2023 should not exceed Rs. 5.00 crore.

RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Company and any duly constituted/to be constituted Committee of Directors thereof to exercise its powers including powers conferred under this resolution) be and is hereby authorized, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalizing the terms and conditions, methods and modes in respect thereof and finalizing and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution and all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

By Order of the Board of Directors
For Kovalam Investment and Trading Company Limited

Place: Ludhiana
Date: 11.05.2022

Jyoti Sud
CFO Cum Company Secretary

NOTES:

1. The Explanatory Statement pursuant to Section 102 (1) and under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations") of the Companies Act, 2013 ('the Act') relating to the Ordinary Business and Special Business to be transacted at the 40th Annual General Meeting (AGM) under Item No. 3 to 6, is annexed hereto.

2. The information about the Directors seeking appointment in the Annual General Meeting as required under Regulation 36(3) of Listing Regulations and Secretarial Standard-2 on General Meetings issued by Institute of Company Secretaries of India is annexed to this Notice**.**

3. In view of the continuing Covid-19 pandemic, the 40th Annual General Meeting (AGM) is convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") pursuant to **General Circular numbers 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021 and 2/2022 dated April 08, 2020, April 13, 2020, May 05, 2020, January 13, 2021, December 08, 2021, December 14, 2021 and May 05, 2022, respectively, issued by the Ministry of Corporate Affairs ("MCA") (hereinafter collectively referred to as "MCA Circulars") and all other relevant laws, regulations and circulars issued from time to time**, which allow the companies to hold AGM through VC/OAVM, which does not require physical presence of members at a common venue.

   In compliance with the provisions of the Act, MCA Circulars and all other relevant laws, regulations and circulars issued from time to time, the 40th AGM of the Company is being held through VC/OAVM on Monday, the 27th day of June, 2022 at 04:00 P.M. The deemed venue for the 40th AGM shall be the Registered Office of the Company i.e. Premises Oswal Woollen Mills Ltd., G.T. Road, Sherpur, Ludhiana-141003, Punjab.

4. **Pursuant to MCA General Circular No. 14/2020 dated April 08, 2020, read with MCA General Circular No. 20/2020 dated May 05, 2020,** the facility to appoint proxy to attend and cast vote for the members is not available for this 40th AGM as the AGM is convened through VC / OAVM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The Route Map is not required to be annexed to the Notice. However, in pursuance of Section 113 of the Companies Act, 2013, representatives of the members such as body corporate can attend the 40th AGM through VC/OAVM and cast their votes through e-voting.

5. Corporate members intending to appoint authorised representative(s) to attend the AGM through VC/OAVM and vote on their behalf at the 40th AGM are requested to send to the Company a scanned certified true copy of the resolution of the Board of Directors (PDF Format) authorising their representative(s) to attend and vote along with specimen signature of the duly authorised representative(s) to Scrutinizer by e-mail at cspsdua@gmail.com and to the Company at kovalam@owmnahar.com before the commencement of the 40th AGM.

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

7. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote during the meeting, provided the votes are not already cast by remote e-voting.

8. The Register of Directors and Key Managerial Personnels and their shareholding, Register of contracts or arrangements in which Directors are interested maintained under Sections 170 and 189 of the Companies Act, 2013 and Register of Members as maintained by RTA, respectively will be available electronically for inspection by the members at the AGM.

9. Pursuant to Section 91 of the Companies Act, 2013 and Rule 10 of the Companies (Management and Administration) Rules, 2014 read with Regulation 42(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, June 21, 2022 to Monday, June 27, 2022** (both days inclusive) for AGM purpose.

10. In accordance with MCA Circulars and the SEBI Circular dated May 13, 2022, due to COVID-19 pandemic, the Notice of 40th AGM along with the Annual Report for the financial year 2021-2022 is being sent only through electronic mode to those Members, whose E-mail addresses are registered with the Company/ Company's Registrar and Share Transfer Agents, Alankit Assignments Limited (RTA) / Depositories. Members may also note that the Notice of 40th AGM along with the Annual Report for the financial year 2021-2022 has been uploaded on the Company's website at www.owmnahar.com and also on the website of the Stock Exchange where the shares of the Company have been listed viz., BSE Limited - www.bseindia.com. The Notice of the 40th AGM may also be accessed by the members from the website of CDSL i.e. evotingindia.com

11. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 and as per Regulation 40 of Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. However, it is clarified that, members can continue holding shares in physical form. Transfer of shares in demat form will facilitate convenience and ensure safety of transactions for investors.

Members holding shares in physical form are requested to consider converting their holdings in the dematerialised form to eliminate the risk of associated with physical shares. The Members who are desirous to convert their physical holdings into dematerialised form, may contact Depository Participant of their choice in this regard. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s)/ Nominee(s).

12. Members are requested to intimate changes, if any pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code etc., to their DPs in case the shares are held in electronic form and to M/s Alankit Assignments Ltd in case the shares are held in physical form, quoting their folio no.. Further, Members may note that SEBI has mandated the submission of PAN by every participant in securities market.

13. As per the provisions of Section 72 of the Act and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's RTA. If a Member desires to cancel the earlier nomination and record a fresh nomination, he may submit the same in Form SH-14. In respect of shares held in demat form, the nomination form may be filed with the respective DP.

14. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or M/s Alankit Assignments Ltd, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

15. (i) All the documents referred to in the Notice of the Meeting will be available for electronic inspection for Members on all working days (except holiday) between 10:00 AM to 1:00 PM upto the date of Annual General Meeting. Members seeking to inspect such documents can send an E-mail to kovalam@owmnahar.com by mentioning their DP ID & Client ID/ Physical Folio Number.

(ii) Members seeking any information with regard to annual accounts at the time of meeting are requested to send their queries to the Company via E-mail to kovalam@owmnahar.com at least seven days before the date of meeting so as to enable the management to keep the relevant information ready.

(iii) The members / investors may send their complaints/ queries, if any to the Company's RTA at rta@alankit.com or to the Company at kovalam@owmnahar.com

16. To support the 'Green Initiative' and for receiving all communication (including Notice and Annual Report) from the Company electronically, the Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with M/s Alankit Assignments Ltd in case the shares are held by them in physical form.

Process for those Members whose email Ids are not registered:

i. **For Members holding shares in physical form**- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company email id at kovalam@owmnahar.com /RTA email id at rta@alankit.com.

ii. **For Members holding shares in Demat form-** Please update your email id & mobile no. with your respective Depository Participant (DP).

iii. **For Individual Demat shareholders-** In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

17. Since the 40th AGM being held through VC/OAVM in compliance with the provisions of the Companies Act, 2013 read with MCA circulars and all other relevant laws, regulations and circulars issued from time to time, the Route Map, Attendance Slip, ballot form and proxy form are not attached to this Notice.

18. Instructions of shareholders for remote e-voting and joining 40th Annual General Meeting through VC/OAVM are as under:

i. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars and all other relevant laws, regulations and circulars issued from time to time, the Company is providing facility of remote e-voting and through e-voting system to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

ii. Members of the Company holding shares either in physical form or in electronic form as on the cut-off date of **Monday, June 20, 2022** may cast their vote by electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only. A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting before the AGM as well as e-Voting during the AGM. Any person who acquires shares of the Company and becomes a Member of the Company after the dispatch of the Notice and holding shares as on the cut-off date i.e. **Monday, June 20, 2022,** may obtain the User ID and Password by sending a request at helpdesk.evoting@cdslindia.com.

iii. The remote e-voting period begins on **Friday, June 24, 2022 at 09.00 A.M. and ends on Sunday, June 26, 2022 at 05.00 P.M.** The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting rights of the Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the cut-off date i.e. **Monday, June 20, 2022.**

iv. Members will be provided with the facility for voting through electronic voting system during the VC proceedings at the AGM and Members participating at the AGM, who could not cast their vote by remote e-Voting. They will be eligible to exercise their right to vote at the end of discussion on the resolutions on which voting is to be held, upon announcement by the Chairman. Members could have cast their vote on resolution(s) by remote e-Voting prior to the AGM will also be eligible to participate at the AGM through VC/OAVM but shall not be entitled to cast their vote on such resolution(s) again. **The remote e-Voting module on the day of the AGM shall be disabled by CDSL for voting 30 minutes after the conclusion of the Meeting.**

v. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020**, under regulation 44 of the Listing Regulations. Listed companies are required to provide remote e-voting facility to its shareholders in respect of all shareholders resolutions. However, it has been observed that the participation by the public non-institutional members / retail members is at a negligible level.

Currently there are multiple e-voting service providers ("ESPs") providing e-voting facility to listed companies in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the members. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication, but also enhancing ease and convenience of participating in e-voting process.

vi. In view of the aforesaid SEBI Circular dated December 9, 2020, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Pursuant to aforesaid SEBI Circular dated December 9, 2020**,** login method for e-voting and joining virtual meetings **for Individual shareholders holding securities in demat mode** is given below:

Type of Members	**Login methods**
Individual members holding shares in Demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the e-voting is in progress and also able to directly access the system of all e-voting Service Providers.
Individual members holding shares in demat mode with NSDL	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual member (holding shares in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

vii. Login method for e-voting and joining virtual meeting for physical members and members other than individual holding in demat form is as under:

1) The members should log on to the e-voting website www.evotingindia.com

2) Click on "Shareholders/Members" module.

3) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c.Members holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first time user follow the steps given below:

	For members holding shares in both demat and physical form other than individual members
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with Sequence number 1 then enter RA00000001 in the PAN field
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (5).

viii. After entering these details appropriately, click on "SUBMIT" tab.

ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi. Click on the EVSN **220513002** for the relevant **Kovalam Investment and Trading Company Limited** on which you choose to vote.

xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii. If Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii. Members can also cast their vote using CDSLs mobile app "m-Voting available" for android, Apple and Windows based mobiles. The m- Voting app can be downloaded from Google Play Store, App Store and the Windows Phone store respectively. Please follow the instructions as prompted by the mobile app while remote e-voting on your mobile.

xix. Note for Non – Individual Shareholders and Custodians- Remote e-voting:

- Non-Individual members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as "Corporates" module.

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.

- The list of accounts Linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney ("POA") which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kovalam@owmnahar.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

19. Instructions for members attending the AGM through VC/OAVM and e-voting during the 40th AGM are as under:

i. The procedure for attending AGM & e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

ii. The link for VC/OAVM to attend AGM will be available in shareholder/members login where the EVSN **220513002** of the Company will be displayed after successful login as per the instructions mentioned above for remote e-voting.

iii. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

iv. Members are encouraged to join the Meeting through Laptops / IPads for better experience.

v. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

vi. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

vii. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at kovalam@owmnahar.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at kovalam@owmnahar.com. These queries will be replied to by the Company suitably by email.

viii. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

ix. Only those members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

x. If any votes are cast by the members through the e-voting available during the AGM and if the same members have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the members attending the AGM.

xi. The Members can login and join the 40th AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to

atleast 250 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

20. Members who have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542) or Toll Free No.: 1800-200-5533.

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

22. Name, designation, address, e-mail ID and phone number of the person responsible to address the grievances connected with the remote e-voting:
Ms. Jyoti Sud,
Company Secretary and Compliance Officer
Premises Oswal Woollen Mills Ltd, G.T. Road, Sherpur, Ludhiana-141003, Punjab
Ph. 0161-5066605, E-mail Id: kovalam@owmnahar.com.

23. Other instructions:

i. The Company has appointed Sh. P.S. Dua of M/s. P.S. Dua & Associates, Practicing Company Secretaries (C.P. No. 3934), as the Scrutinizer to scrutinize the remote e-voting and e-voting process at the AGM in a fair and transparent manner.

ii. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting, by use of remote e-voting system for all those Members who are present during the AGM through VC/ OAVM but have not cast their votes by availing the remote e-Voting facility.

iii. The Scrutinizer shall, immediately after the conclusion of AGM, unblock the votes cast at the meeting through e-voting system and the votes cast through remote e-voting and not later than 48 hours from the conclusion of the AGM, submit a Consolidated Scrutinizer's Report of the total votes cast in the favour or against, if any, forthwith to the Chairman or a person authorized by the Chairman in writing for counter signature.

iv. The results will be declared within 48 hours of conclusion of the Annual General Meeting. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company i.e. www.owmnahar.com and on the website of CDSL i.e. www.evotingindia.com. The results shall simultaneously be communicated to the BSE Limited where the shares of the Company are listed for placing the same in their website at www.bseindia.com.

v. Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the 40th Annual General Meeting i.e. **Monday, June 27, 2022**

EXPLANATORY STATEMENT UNDER SECTION 102 AND REGULATION 36(3) OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 OF THE COMPANIES ACT, 2013

The following Explanatory Statement sets out all material facts relating to the Ordinary and Special Business mentioned in the accompanying Notice.

Item No. 3

The Shareholders of the Company had approved the appointment of M/s. YAPL & Co., Chartered Accountants, (Firm Registration No. 017800N) as the Statutory Auditors of the Company to hold office for a period of five years commencing from the financial year 2017-18 from the conclusion of 35th Annual General Meeting ("AGM") till the conclusion of 40th AGM of the Company to be held in the Year 2022. Accordingly, M/s YAPL & Co. will complete their present term on conclusion of this AGM in terms of the said approval. The present remuneration of M/s YAPL & Co. for conducting the audit for the financial year 2022-23 is Rs. 20,000/- per annum plus applicable tax and out-of-pocket expenses incurred.

M/s YAPL & Co., Chartered Accountants would be completing their first term i.e. 5 years as the Statutory Auditors of the Company at this AGM. In accordance with Section 139(2) of the Act and Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s YAPL & Co., are eligible for re-appointment for their term i.e. 5 years.

The Board of Directors of the Company, on the recommendation of the Audit Committee, in their meeting held on 11th May, 2022 proposed the appointment of M/s YAPL & Co., Chartered Accountants, Ludhiana (Firm Registration No. 017800N), as the Statutory Auditors of the Company to hold office for a term of five consecutive years from the conclusion of 40th Annual General Meeting (AGM) till the conclusion of 45th Annual General Meeting (AGM) to be held in the year 2027. The remuneration of M/s YAPL & Co., Chartered Accountants for the financial year 2022-23 is set out in the Resolution relating to their appointment.

Basis of recommendation and Credentials

The Board of Directors recommend the appointment of M/s YAPL & Co., as the Statutory Auditors based on a review of their profile, experience and specialization in audit of corporate sector.

M/s. YAPL & Co., Chartered Accountants, Ludhiana (Firm Registration No. 017800N) ("The Firm") having its head office at K-102, Kismat Complex, G.T. Road, Miller Ganj, Ludhiana – 141 003 and its branch office at 2nd Floor, Manu Clinic, Bhagwan Chowk, Ludhiana-141 003. The Firm provides statutory audit, tax audit, taxation & other consultancy services to large & small clients. The Firm is registered with the Institute of Chartered Accountants of India ("ICAI"). Apart from statutory audit, the firm also has expertise in other allied areas. The firm has been statutory auditors of large listed companies to cross section of industries and carries a good professional track-record.

The Company has already received their consent to act as the Statutory Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

None of the Directors and / or Key Managerial Personnel of the Company and their relatives are in any way concerned or interested, financially or otherwise, in the proposed special resolution as set out at Item No. 3 of the notice with regard to their appointment.

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

Item No. 4

The Board of Directors of the Company, based on the recommendation of Nomination and Remuneration Committee and pursuant to the provisions of Section 161(1) of the Companies Act, 2013 ("the Act") read with the Articles of Association of the Company has approved the appointment of Dr. Suresh Kumar Singla (DIN: 00403423), as an Additional Director under the category of Independent Director for a term of 5 years with effect from March 30, 2022, subject to the approval of the Members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Directors requires approval of the members of the Company. Further, in terms of SEBI (LODR) Regulations, 2015 ("SEBI Listing Regulations"), effective 1st January 2022, the listed Companies are required to obtain the approval of the shareholders for appointment of a Director, at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, the appointment of Dr. Suresh Kumar Singla shall require the approval of the Members of the Company by 29th June, 2022.

The Company in this context has received a consent in writing to act as Director in Form DIR-2 and an intimation in Form DIR-8, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and has not been debarred or disqualified from being appointed or continuing as a Director of the Company by SEBI, Ministry of Corporate Affairs or any such other Statutory Authority. The Company has also received declarations from Dr. Suresh Kumar Singla that he meets the criteria of independence as prescribed under Section 149(6) of the Act, rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations.

The Company has, in terms of Section 160(1) of the Act received in writing, a notice from a Member proposing the candidature of Dr. Suresh Kumar Singla for the office of Director of the Company.

Dr. Suresh Kumar Singla, aged about 71 years is M.A. (Stats & Eco.) and Ph. D (Stats) having more than 34 years of experience as Academics (Management and Administration).

In the opinion of the Board, Dr. Suresh Kumar Singla fulfills the conditions for appointment as an Independent Director as specified in the Act and the Listing Regulations. Dr. Suresh Kumar Singla is a person of integrity and independent of the Management and possesses appropriate skills, experience and knowledge. Considering the extensive knowledge and experience of Dr. Suresh Kumar Singla in the field of Academics (Management and Administration), appointment of Dr. Suresh Kumar Singla as an Independent Director is in the interest of the Company.

Dr. Suresh Kumar Singla is not inter-se related with any other Director or Key Managerial Personnel of the Company. Also, Dr. Suresh Kumar Singla does not hold any share in the Company. The copy of the letter of appointment of Dr. Suresh Kumar Singla setting out the terms and conditions of appointment

shall be available for inspection by the members and shall also be available for electronic inspection during business hours.

Considering his vast experience and knowledge, the Board is of the opinion that presence of Dr. Suresh Kumar Singla on the Board will be of immense value to the Company.

A brief profile of Dr. Suresh Kumar Singla, in terms of Regulation 36(3) of the SEBI Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, has been provided as the **Annexure A** to this Notice. As an Independent Director of the Company, Dr. Suresh Kumar Singla will be entitled to sitting fee for attending the meetings of the Board, as may be decided by the Board of Directors, from time to time.

Except for Dr. Suresh Kumar Singla and his relatives, none of the Directors, Key Managerial Personnel of the Company or their respective relatives are in any way concerned or interested, financially or otherwise, in the Special Resolution at Item No. 4 of the notice with regard to his appointment.

The Board of Directors recommends the passing of Special Resolution set out at Item No. 4 of the accompanying Notice for approval by the Members.

Item No. 5

Dr. Suresh Kumar Singla is being appointed as a Non-Executive Independent Director of the Company (Item No. 4 of the accompanying Notice) Sections 149, 150 and 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "Listing Regulations").

The provisions of Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 as notified on 9th May, 2018 which was effective from 1 April, 2019, provides that no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect.

Dr. Suresh Kumar Singla is aged about 71 years and will attain at the age of 75 years on July 07, 2025. Dr. Suresh Kumar Singla was appointed as Non- Executive Independent Director of the Company for a term of 5 (five) consecutive years subject to the approval of members in the ensuing Annual General Meeting. Dr. Suresh Kumar Singla is M.A. (Stats & Eco.) and Ph. D (Stats) having more than 34 years of experience as Academics (Management and Administration). The Additional Information as required under Listing Regulations and Secretarial Standards on General Meetings is annexed with this Notice as an **Annexure-A.**

Considering his vast experience and knowledge, the Board is of the opinion that presence of Dr. Suresh Kumar Singla on the Board will be of immense value to the Company. So it is desirable and advisable to continue avail his services as Non-Executive Independent Director.

Accordingly the resolution seeking your consent/approval by way of Special Resolution, set out at Item No. 5 of the Notice, for continuation of holding of present office by Dr. Suresh Kumar Singla as Non-

Executive Independent Director even after attaining the age of 75 years upto the expiry of his present term of office up to March 29, 2027, has been proposed for your approval.

Except Dr. Suresh Kumar Singla, may be deemed to be concerned or interested in the aforesaid resolution, none of the other Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the proposed special resolution as set out at Item No. 5 of the notice with regard to his appointment.

The Board of Directors recommends the passing of Special Resolution set out at Item No. 5 of the accompanying Notice for approval by the Members.

Item No. 6

Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), as amended vide SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021, effective April 1, 2022, states that all Material Related Party Transaction ('RPT') with an aggregate value exceeding Rs. 1,000 crore or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, shall require approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(zb) definition of related party of the Listing Regulations also covers, any person or entity forming a part of the promoter or promoter group of the listed entity; or(b) any person or any entity, holding equity shares:(i) of twenty per cent or more; in the listed entity either directly or on a beneficial interest basis as provided under section 89 of the Companies Act, 2013, at any time, during the immediate preceding financial year shall be deemed to be a related party. The amended Regulation 2(1)(zc) of the Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

The annual consolidated turnover of the Company for the financial year 2021-22 is INR 2.11 Crores. Accordingly, any transaction(s) by the Company with its related party exceeding INR 0.21 Crores (10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members will be required for the same.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the above-mentioned RPTs with Related Parties. The Committee has noted that the said transactions will be at an arm's length basis and in the ordinary course of business of the Company. Accordingly, basis the approval of the Audit Committee, the Board of Directors recommends the resolution contained in Item No. 6 of the accompanying Notice to the shareholders for approval.

Information pursuant SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021

Sl. No.	Description	Details
1.	Details of Summary of information provided by the management to the Audit Committee	

a.	Name of the related party and its relationship with the listed entity or its subsidiary,	Oswal Woollen Mills Ltd (Promoter Group Company)	Sankheshwar Holding Company Limited (Promoter Group Company)	J L.Growth Fund Limited (Promoter Group Company)
b.	Nature of its concern or interest (financial or otherwise);	Financial	Financial	Financial
c.	Name of the director or key managerial personnel who is related, if any and nature of relationship	Not Applicable	Sh. Komal Jain, Non-Executive Independent Director of the Company is also Non-Executive Director of the Company	Sh. Navdeep Sharma, Non-Executive Independent Director of the Company is also Non-Executive Director of the Company
b.	Type, material terms, and particulars of contracts or arrangement	The transaction involves Loans and Advances and Others to be entered during the Financial year 2022-2023. Interest rates on Loans and advances given to related party is charged at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	The transaction involves Sale and Purchase of Investments to be entered during the Financial year 2022-2023. Sale and Purchase of Investments are done at prevailing market rates at arm's length basis and in the Ordinary Course of Business.	The transaction involves Online Facility for payment of taxes and other payments to Government Authority(ies), to be entered during the Financial year 2022-2023.
d.	Tenure of the proposed transaction (particular tenure shall be specified	Approval is for Financial year 2022-2023	Approval is for Financial year 2022-2023	Approval is for Financial year 2022-2023
e.	Value of Transaction (Rs. In Crore)	Aggregate value of transactions should not exceed Rs. 25.00 crore.	Aggregate value of transactions should not exceed Rs. 5.00 crore.	Aggregate value of transactions should not exceed Rs. 5.00 crore.
f.	Percentage of annual consolidated turnover of the Company as on March 31, 2022, that is represented by proposed RPT	1185% (approx.) of the annual consolidated turnover of the Company.	237% (approx.) of the annual consolidated turnover of the Company.	237% (approx.) of the annual consolidated turnover of the Company.
2.	Justification for why the proposed transaction is in	The Related party transactions are at arm's length basis for	The Related party transactions are to grab opportunity to maximize	The Related party transactions are for Online Facility.

	the interest of the listed entity;	maximizing the yield on available surplus funds which is in the interest of the Company.	profitability.	
3.	Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:			
a.	details of the source of funds in connection with the proposed transaction	Internal Accruals	Not Applicable	Not Applicable
b.	where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments - nature of indebtedness; - cost of funds; and - tenure	Not Applicable	Not Applicable	Not Applicable
c.	applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	The Related party transactions are at arm's length basis and at comparable market rates which is unsecured and repayable on demand.	Not Applicable	Not Applicable
d.	the purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	The Related party transactions are for working capital needs and general corporate purposes.	Not Applicable	Not Applicable
4.	A statement that the valuation or other external report, if any, relied upon by the listed entity in relation to the proposed transaction will be made available through registered email address of	Not Applicable	Not Applicable	Not Applicable

	the shareholder			
5.	Any other information that may be relevant	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.		

The ceiling on the amounts of the transactions specified as above would mean the transactions entered into and the remaining outstanding at any point of time.

The Members may note that in terms of the provisions of the Listing Regulations, the related parties as defined thereunder (whether such related party(ies) is a party to the aforesaid transactions or not), shall not vote to approve resolutions under Item No. 6.

None of the Directors and/ or Key Managerial Personnel of the Company and/or their respective relatives is in any way, concerned or interested, financially or otherwise, in the proposed ordinary resolution as set out at Item No. 6 of the notice.

The Board of Directors recommends the passing of Ordinary Resolution set out at Item No. 6 of the accompanying Notice for approval by the Members.

By Order of the Board of Directors
For Kovalam Investment and Trading Company Limited

Place: Ludhiana **Jyoti Sud**
Date: 11.05.2022 **CFO Cum Company Secretary**

ANNEXURE – A

Information pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards-2 on General Meetings regarding Director and Manager seeking appointment/re-appointment as set out in this notice furnished below:

Particulars	**Retire by rotation**
Name	**Sh. Navdeep Sharma (DIN: 06948181)**
Designation	Non-Executive Director
Date of birth/ age	02/06/1959/ 61 years
Date of appointment	31.05.2006
Qualification	B.A., LLB
Expertise in specific functional areas	More than 41 years of experience in Corporate Taxation
Terms of appointment	Liable to retire by rotation
Remuneration for the F.Y. 2021-2022 (Sitting Fees)	Rs. 5,000/- (Rupees Five Thousand only)
Remuneration sought to be paid:	Sitting Fees to be paid for attending Meeting of Board
Disclosure of relationship between directors inter-se:	Sh. Navdeep Sharma is not related to any of the other Director and Key Managerial Personnel of the Company.
Shareholding:	NIL Equity Shares
No. of Board Meetings attended during the year:	5 out of 5
List of Other Directorships on other Board along with listed entities from which the person has resigned in the past three years:	1. Vanaik Investors Limited 2. Nagdevi Trading and Investment Company Limited 3. J L. Growth Fund Limited 4. Palam Motels Limited 5. Nahar Industrial Enterprises Limited 6. Nahar Industrial Infrastructure Corporation Limited 7. Vanaik Spinning Mills Limited 8. Nahar Financial and Investment Limited 9. Abhilash Growth Fund Private Limited 10. Nahar Growth Fund Private Limited 11. Monica Growth Fund Private Limited 12. Ruchika Growth Fund Private Limited 13. Oswal Leasing Limited (resigned w.e.f. 28.09.2021)

List of Committee Membership/ Chairmanship on other Board along with listed entities from which the person has resigned in the past three years:

S. No.	**Name of the Companies**	**Type of Committee**	**Member/ Chairperson of the Committee**
1.	Oswal Leasing Limited	Audit Committee	Chairperson
2.	Oswal Leasing Limited	Nomination & Remuneration Committee	Chairperson
3.	Oswal Leasing Limited	Stakeholders Relationship Committee	Member
4.	Oswal Leasing Limited	Share Transfer Committee	Member

	5.	Abhilash Growth Fund Private Limited	Corporate Social Responsibility	Member

Particulars	**Appointment**
Name	**Dr. Suresh Kumar Singla (DIN: 00403423)**
Designation	Non-Executive Independent Director
Date of birth/ age	07/07/1950/ 71 years
Date of appointment	30.03.2022
Qualification	M.A. (Stats & Eco.) and Ph. D (Stats)
Expertise in specific functional areas	More than 34 years of experience as Academics (Management and Administration)
Terms of appointment	5 years w.e.f. March 30, 2022, not liable to retire by rotation
Remuneration for the F.Y. 2021-2022 (Sitting Fees)	N.A.
Remuneration sought to be paid:	Sitting Fees to be paid for attending Meeting of Board
Disclosure of relationship between directors inter-se:	Dr. Suresh Kumar Singla is not related to any of the other Director and Key Managerial Personnel of the Company.
Shareholding:	NIL Equity Shares
No. of Board Meetings attended during the year:	N.A.
List of Other Directorships on other Board along with listed entities from which the person has resigned in the past three years:	1. Monte Carlo Fashions Limited 2. Nahar Poly Films Limited 3. Nahar Capital and Financial Services Limited 4. Nahar Spinning Mills Limited 5. Nahar Industrial Enterprises Limited

List of Committee Membership/ Chairmanship on other Board along with listed entities from which the person has resigned in the past three years:

S. No.	Name of the Companies	Type of Committee	Member/ Chairperson of the Committee
1.	Monte Carlo Fashions Limited	Audit Committee	Chairperson
2.	Monte Carlo Fashions Limited	Nomination & Remuneration Committee	Chairperson
3.	Monte Carlo Fashions Limited	Risk Management Committee	Member
4.	Monte Carlo Fashions Limited	Corporate Social Responsibility Committee	Member
5.	Nahar Capital & Financial Services Ltd.	Audit Committee	Member
6.	Nahar Capital & Financial Services Ltd.	Nomination & Remuneration Committee	Chairperson
7.	Nahar Capital & Financial Services Ltd.	Stakeholders Relationship	Member

			Committee	
	8.	Nahar Capital & Financial Services Ltd.	Corporate Social Responsibility Committee	Member
	9.	Nahar Industrial Enterprises Ltd.	Nomination & Remuneration Committee	Member
	10.	Nahar Industrial Enterprises Ltd.	Stakeholders Relationship Committee	Member
	11.	Nahar Industrial Enterprises Ltd.	Corporate Social Responsibility Committee	Member
	12.	Nahar Poly Films Limited	Audit Committee	Chairperson
	13.	Nahar Poly Films Limited	Nomination & Remuneration Committee	Chairperson
	14.	Nahar Poly Films Limited	Corporate Social Responsibility Committee	Member
	15.	Nahar Spinning Mills Limited	Audit Committee	Member
	16.	Nahar Spinning Mills Limited	Nomination & Remuneration Committee	Chairperson
	17.	Nahar Spinning Mills Limited	Risk Management Committee	Member
	18.	Nahar Spinning Mills Limited	Corporate Social Responsibility Committee	Member
Skills and capabilities required for the role and the manner in which the proposed person meets such requirements:	The Nomination and Remuneration Committee ("NRC") considered Dr. Suresh Kumar Singla education and background and rich experience in the areas of Understanding of relevant laws, rules, regulations and policies, Corporate Governance, Ability to understand Financial Statements and Industry knowledge and experience. Considering the above attributes, the NRC is of the view that Dr. Suresh Kumar Singla fulfills the criteria of skills and capabilities required on the Board and that his association would be beneficial to the Company.			

By Order of the Board of Directors
For Kovalam Investment and Trading Company Limited

Place: Ludhiana
Date: 11.05.2022

Jyoti Sud
CFO Cum Company Secretary

DIRECTOR'S REPORT

Dear Members,

Your Directors present the 40th Annual Report together with the audited accounts of the company for the financial year ended 31st March 2022. Your Company is a Non-Banking Financial Company (Non- public deposit taking company) and registered under Reserve Bank of India ("RBI") vide registration number N-06.00576 Dated 17.10.2003.

FINANCIAL PERFORMACE:

The financial performance of the company for the financial year under review is as under:-

(Amount in Rs.)

Particulars	**Financial year ended on March 31, 2022**	**Financial year ended on March 31, 2021**
Revenue from operations	2,10,88,467.70	4,44,69,725.64
Other income	1.45	52,289.01
Total Income	2,10,88,469.15	4,45,22,014.65
Profit/(Loss) before tax	1,98,88,781.31	4,24,24,369.31
Less: Tax expenses		
Current Tax	23,52,556.00	5,03,777.00
Deferred Tax	(5,57,870.76)	70,33,199.92
Profit/(Loss) after Tax for the year	1,80,94,096.07	3,48,87,392.38
Other Comprehensive Income	71,95,47,968.24	13,08,69,106.52
Total Comprehensive Income	73,76,42,064.30	16,57,56,498.90
Earning Per Equity Share	8.14	15.69

INDIAN ACCOUNTING STANDARDS:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs (MCA) under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act and applicable guidelines issued by the Reserve Bank of India (RBI). The financial statements have been prepared in accordance with the format prescribed for a Non-Banking Financial Company (NBFC) in compliance of the Companies (Indian Accounting Standards) Rules, 2015, in Division III of Notification No. GSR 1022 (E) dated October 11, 2018, issued by the Ministry of Corporate Affairs.

OPERATIONS AND STATE OF COMPANY AFFAIRS:

During the year under review the company's funds remained invested in Shares, Loans and Advances. The dividend income earned for the financial year ended 31st March, 2022 of Rs. 30,57,377.07 (previous year 9,66,706.57). The interest income earned for the financial year ended 31st March, 2022 of Rs. 25,41,922.00 (previous years Rs. 6,48,579.00). During the year, the company also earned brokerage income for the financial year ended 31st March, 2022 of Rs. 47,87,615.39 (net of service tax) on mobilization of funds of third parties (previous year Rs. 28,37,729.14). The Company has also earned net gain on fair value changes of Rs. 1,07,01,553.24 during the financial year ended 31st March, 2022.

DIVIDEND:
In view of the losses incurred in the year under review, your directors do not recommend any dividend for the financial year ended March 31, 2022.

TRANSFER TO RESERVE:
During the year under review, the Company has not transferred any amount to the General Reserve. The General Reserve of the Company stood at Rs. 11,81,40,960.00 as at 31.03.2022 and a sum of Rs. 36,19,000.00 has been appropriated towards Statutory Reserve Account in compliance to Section 45 IC of the Reserve Bank of India Act and the balance amount of Rs. 9,48,34,047.22 is carried over to the Balance Sheet.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:
Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 do not apply.

PUBLIC DEPOSIT:
The Company is registered as Non-deposit taking Non- Banking Financial Company with RBI. During the year, the Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. There is no outstanding/unclaimed deposit from the public.

SHARE CAPITAL:
The paid up Equity Share Capital as at 31st March, 2022 remained unchanged and stood at Rs. 2,22,39,140/- divided into 2223914 Equity Shares of the face value of Rs. 10/- each. During the year, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity, none of the Directors of the Company hold instruments convertible into Equity Shares of the Company.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY THE COMPANY:
Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act 2013 are given in the notes to Financial Statements forming a part of this Annual Report. The Company being a Non-Banking Financial Company registered under Reserve Bank of India Act, 1934, thus the provisions of Section 186 (except Sub Section 1) of the Companies Act, 2013 in respect of lending and investment activities, are not applicable to the Company.

CHANGE IN THE NATURE OF BUSINESS:
During the year under review, there was no change in the nature of the business of the Company.

DIRECTORS:
As on March 31, 2022, the Board of Directors consists of 4 (Four) Directors comprising of 2 (two) Non-Executive Directors and 2 (two) Non-Executive Independent Directors.

During the year under review, there was change in the Composition of the Board of Directors of the Company. Sh. Faqir Chand Jandey, resigned from the Board of the Company w.e.f. 16.03.2022 due to the fact that he could not qualify the online proficiency self-assessment test of Independent Director conducted by the Indian Institute of Corporate Affairs, Ministry of Corporate Affairs (Govt. of India) at Manesar. Sh. Faqir Chand Jandey has confirmed that there are no material reasons for his resignation, other than those mentioned in his resignation letter. The Board placed on record the valuable services rendered by Sh. Faqir Chand Jandey during his tenure and expressed its deep sense of appreciation and gratitude for the same.

During the year under review, the Board of Directors of the Company upon the recommendation of Nomination and Remuneration Committee has appointed Dr. Suresh Kumar Singla as an Independent Director of the Company w.e.f. 30.03.2022 for a period of 5 years subject to the approval of the Shareholders of the Company at ensuing Annual General Meeting by way of Special Resolution.
Further in the opinion of the Board Dr. Suresh Kumar Singla who was appointed as an Independent Director of the Company during the financial year ended 31.03.2022. The Nomination & Remuneration Committee and Board of Directors have recommended the appointment of Dr. Suresh Kumar Singla as an Independent Director of the Company. In terms of Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014, the Board of Directors of the Company are of opinion that Dr. Suresh Kumar Singla possesses relevant expertise, integrity and experience requisite to be appointed as an Independent Director. Further Dr. Suresh Kumar Singla is not required to pass the online proficiency self-assessment test.

In compliance with Regulation 36(3) of Listing Regulations and Secretarial Standards information about the Director proposed to be appointed / re-appointed is attached along with the Notice calling the ensuing Annual General Meeting.

RETIREMENT BY ROTATION:
In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Sh. Navdeep Sharma (DIN: 00454285), Director of the Company, shall retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, offers himself for re-appointment, on the same terms and conditions on which he was appointed/ re-appointed.

In compliance with Regulation 36(3) of Listing Regulations and Secretarial Standards information about the Director proposed to be appointed / re-appointed is attached along with the Notice calling the ensuing Annual General Meeting.

WOMAN DIRECTOR:
In terms of the provisions of Section 149 of the Companies Act, 2013 and SEBI (LODR), Regulations, 2015, your Company has Smt. Manisha Oswal as Woman Director on the Board.

KEY MANAGERIAL PERSONNEL:
The following persons are the Key Managerial Personnel (KMP's) of the Company as on March 31, 2022 in terms of provisions of Section 203 of the Companies Act, 2013 and rules made there under:-

Names of KMP's	Designation
Sh. Jai Karan Singh[1]	Manager
Mrs. Jyoti Sud	Company Secretary Cum Chief Financial Officer

1. Sh. Mohinder Kumar Jain, resigned from the post of Manager with effect from June 01, 2021 and in his place the Board of Directors appointed Sh. Jai Karan Singh as Manager of the Company with effect from August 13, 2021 in the Board Meeting held on August 13, 2021 for a term of 3 consecutive years. Further, his appointment as Manager of the Company was approved by the Members in the 39th Annual General Meeting of the Company by way of Special Resolution.

DECLARATION OF INDEPENDENT DIRECTORS:
In terms of Section 149(7) of the Companies Act, 2013, the Company has received necessary declaration from all the Independent Directors of the Company. All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act,

Regulation 16(1)(b) of the Listing Regulations along with the declaration that they have registered themselves with the Independent Director's Database maintained by the IICA as provided in sub-rule (3) rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014. In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act Regulation 16(1) (b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the Company's Code of Business Conduct & Ethics.

MEETINGS OF THE BOARD AND COMMITTEES:

During the year under review, five meetings of the board were convened and held on May 27, 2021, August 13, 2021, November 12, 2021, February 14, 2022 and March 30, 2022. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details in respect to the Attendance is provided in the Corporate Governance Report forming part of this Report.

Information on the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders' Relationship Committee and meetings of those Committees held during the year is given in the Corporate Governance Report.

SEPARATE MEETING OF INDEPENDENT DIRECTORS:

The Company's Independent Directors held their meeting on November 12, 2021 without the attendance of Non Independent Directors and members of the management. All Independents Directors were present at the meeting and, they:

1 Reviewed the performance of non-Independent directors and the Board as a whole;
2 Assessed the quality and timeliness of the flow of information between the Company's Management and the Board which is necessary for the Board to effectively and reasonably perform their duties.

BOARD EVALUATION:

Pursuant to the Section 134(3) of the Companies Act, 2013 and Regulation 17 of SEBI (LODR) regulations, 2015, the Company has devised a policy for performance evaluation of Independent Directors and the Board. The Board has carried out an annual evaluation of its own performance, performance of its Committees as well as directors individually. The Board of Directors formally assess their own performance based on parameters which, inter alia, include performance of the Board on deciding long term strategies, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc. The Board was satisfied with the evaluation process and approved the evaluation results thereof.

CORPORATE GOVERNANCE:

The Company is committed to follow the best Corporate Governance practices, including the requirements under the SEBI Listing Regulations and the Board is responsible to ensure the same, from time to time. The Company has duly complied with the Corporate Governance requirements. Further a separate section on Corporate Governance in compliance with the provisions of Regulation 34 of the Listing Regulations read with Schedule V of the said regulations along with a Certificate from a Practicing Company Secretary confirming that the Company is and has been compliant with the conditions stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:-

a) that in the preparation of the Annual Accounts for the year ended on 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for the year ended on that date;

c) that the directors have taken proper and sufficient care 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.

d) that annual accounts have been prepared on a going concern basis.

e) that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ANNUAL RETURN:

The Annual Return of the Company, pursuant to sub-section 3 (a) of Section 134 and the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 for the financial year 2021-2022 in the Form MGT-7 has been uploaded on Company's website and the web link for the same is http://owmnahar.com/kovalam/pdf/KV-Annual-Return-2021-22.pdf

PARTICULARS OF CONTRACTS AND ARRANGEMENT MADE WITH RELATED PARTIES:

During the year under review, No Related Party Transactions entered into with Related parties as per given at Note No. 25 to the Financial Statements. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for financial year 2020-21 and hence does not form part of this report. Your Company has framed a Policy on Related Party Transactions for purpose of identification and monitoring of such transactions in line with the requirements of the Companies Act, 2013 and Listing Regulations and the said policy is available http://www.owmnahar.com/kovalam/pdf/RPT-Policy.pdf.

We would like to inform you that during the year, no material related party transactions made by the Company with Promoters, directors, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. Pursuant to Listing Regulations, the resolution for seeking approval of the shareholders on material related party transactions is being placed at the AGM.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company is having adequate internal control systems and procedures which commensurate with the size of the Company. The Company is having Internal Audit Department which ensures that the internal control systems are properly followed by all concerned departments of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

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

CORPORTE SOCIAL RESPONSIBILITY:

The Company is not covered under the purview of the requirements of Section 135 of the Companies Act, 2013 and the rules made thereon. Hence, it is not applicable to the Company.

SECRETARIAL AUDITOR AND THEIR REPORT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under and Regulations 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company have appointed M/s P.S Dua & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2022-2023. The Company has received consent from M/s P.S Dua & Associates, Company Secretaries to act as the auditor for conducting audit of the secretarial records for the financial year ending 31st March, 2023.

M/s P.S Dua & Associates, Practicing Company Secretaries have carried out the Secretarial Audit for the financial year ended March 31, 2022. The Secretarial Audit Report in Form No. MR-3 for the financial year ended 31st March, 2022 under the Act, read with Rules made thereunder, is annexed herewith as **Annexure 1** and forms an integral part of this report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Secretarial Auditor in his Report for the year under review and therefore, does not call for any further comments.

PARTICULARS OF EMPLOYEES:

The information required pursuant to the provisions of Section 197 (12) read with rule 5 (1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed hereto as **Annexure- 2** and forms part of this report.

AUDIT COMMITTEE:

The Company has constituted an Audit Committee pursuant to Section 177(8) read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014 and SEBI (LODR), Regulations, 2015.

Presently, the Audit Committee consists of Sh. Komal Jain, Dr. Suresh Kumar Singla who are Non- Executive Independent Directors and Sh. Navdeep Sharma who is non-Executive Non-Independent Director. The details in respect to the Attendance, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report.

NOMINATION AND REMUNERATION COMMITTEE AND POLICY:

As required u/s 178 of the Companies Act 2013 and SEBI (LODR), Regulations, 2015, the Company has constituted nomination & remuneration committee. Presently, the committee consists of Sh. Komal Jain, Dr. Suresh Kumar Singla who are Non- Executive Independent Directors and Sh. Navdeep Sharma who is non-Executive Non-Independent Director. Further, on the recommendation of Nomination and Remuneration Committee, the board has already framed a policy for selection and appointment of Directors, Key Management Personnels & Senior Management and their remuneration. The details in respect to the Attendance, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report. The Nomination and Remuneration Policy is available on the Company's website and the web link for the same is http://www.owmnahar.com/kovalam/pdf/Nomination-and-Remuneration-Policy.pdf.

As mandated by proviso to Section 178(4) of the Companies Act, 2013, salient features of Nomination and Remuneration Policy is annexed as **Annexure-3** hereto and forms part of this report.

STAKEHOLDER RELATIONSHIP COMMITTEE:

As required u/s 178 of the Companies Act 2013 and SEBI (LODR), Regulations, 2015, the Company has constituted stakeholder relationship committee. Presently, the committee consists of Sh. Komal Jain, Dr. Suresh Kumar Singla who are Non- Executive Independent Directors and Sh. Navdeep Sharma who is non-Executive Non-Independent Director. The details in respect to the Attendance, Powers, Roles, and Terms of Reference etc. are provided in the Corporate Governance Report forming part of this Report.

MAINTENANCE OF COST RECORDS:

The maintenance of Cost Records as specified by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company as the Company is a Non-Banking Financial Company.

REPORTING OF FRAUD:

There are no frauds on or by your Company, which are required to be reported by the Statutory Auditors of your Company.

DISCLOSURE AS PER SEXUAL HARASSMENTOF WOMEN AT WORKPLACE (PREVENTION, PROHIBIITON AND REDRESSAL) ACT, 2013:

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. A Sexual Harassment Committee/Internal Complaints Committee (ICC) was setup/constituted which is responsible for redressal of complaints related to sexual harassment at the workplace. During the Financial Year 2021-2022 the Company has not received any complaints on the same and hence, no complaint was pending as at 31st March, 2022.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and analysis Report as required under Regulation 34 and Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report.

LISTING AGREEMENT:

To streamline the provisions of the Listing Agreement and its better enforceability the Securities and Exchange Board of India (SEBI), on September, 2, 2015 issued SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015. The said Regulation became effective from 1st. December, 2015. In compliance of the said Regulations, the company has entered into Listing Agreement with the BSE Ltd. on 23rd February, 2016.

DEMATERIALSIATION OF SECURITIES:

Your Company has already established connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to facilitate the holding and trading of securities in electronic form. The shareholders who have not gone in for dematerialization of shares till date, are requested to opt for dematerialization of the shares at the earliest.

Further, as per SEBI circular No. D&CC/FITTC/CIR-15/2002 dated 27th December, 2002, Company has appointed M/s. Alankit Assignments Ltd. as Registrar for Share Transfer and Electronic Connectivity. Accordingly, all the shareholders, Investors, Members of the Stock Exchanges, Depository Participants and all other concerned are requested to send all communication in respect of Share Transfer, Demat/Remat, Change of Address etc. to our Registrar of below mentioned address:

M/s. Alankit Assignments Limited (Unit: Kovalam Investment & Trading Co. Ltd.)
Alankit House, 4E/2, Jhandewalan Extension
New Delhi-110 055
Telephone No. : (011) 42541234
Fax No. : (011) 42541201
E-mail address : rta@alankit.com
Website : www.alankit.com
In case any query/complaint remains unresolved with our Registrar please write to Company at the Registered Office of the Company.

SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES AND HOLDING COMPANIES:
Your Company does not have any Subsidiary, Joint Venture or Associate Company and Holding Company as on 31st March, 2022.

STATUTORY AUDITORS & AUDITOR'S REPORT:
The Company's Auditors, M/s YAPL & Co., Chartered Accountants (Firm Registration No: 017800N), who have been appointed as the Statutory Auditors of the Company for the period up to the conclusion of the 39th Annual General Meeting, have given their consent for re-appointment as the Statutory Auditors for the second term of five years. They are holding a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Members are requested to approve their appointment as the Auditors of the Company in their ensuing Annual General Meeting to hold office for a period of 5 years commencing from the conclusion of 40th (Fortieth) Annual General Meeting till the conclusion of 45th (Forty Fifth) Annual General Meeting of the Company as recommended by the Board, by passing an ordinary resolution under Section 139 of the Companies Act, 2013.

The Statutory Auditors have confirmed that they satisfy the criteria of independence, as required under the provisions of the Companies Act, 2013. The Statutory Auditors have submitted Audit Report on the Financial Statements of the Company for the Accounting year ended 31 March, 2022. The Auditor's Report on the Accounts of the Company for the year under review is self-explanatory and requires no comments. During the year under review, there were no frauds reported by Auditors under Section 143(12) of Companies Act, 2013.

INTERNAL AUDITORS:
Pursuant to the provisions of Section 138 of the Companies Act, 2013, the Board of Directors of the Company have appointed M/s. Piyush Singla & Associates, Chartered Accountants to conduct the internal audit of the Company for the financial year 2022-2023. The Company has received consent from M/s Piyush Singla & Associates, Chartered Accountants to conduct the internal audit of the Company for the financial year ending 31st March, 2023.

M/s. Piyush Singla & Associates, Chartered Accountants performs the duties of internal auditors of the Company for the financial year 2021-2022 and their report is reviewed by the audit committee.

COMPLIANCE WITH SECRETARIAL STANDARDS:
During the year under review, your Company has duly complied with applicable provisions of the Secretarial Standards on meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

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

The information regarding conservation of energy, technology absorption and foreign exchange earnings and outgo under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014, are not applicable as the Company is a Non- Banking Financial Company and hence no disclosure is required.

MATERIAL CHANGES OR COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY:

There were no material changes or commitments, affecting the financial position of the company which have occurred between the end of Financial Year 31st March, 2022 and the date of this report.

BUSINESS RISK MANAGEMENT:

The Company being essentially an Investment Company, its main sources of income is interest income on loans and advances and dividend/income receivable on investments in Equity Shares/Debentures/Bonds/deposits made and held by it in other companies. The financial business is always prone to risks of capital market fluctuations and economic cycle. Pursuant to Section 134(3)(n) of the Companies Act, 2013, the Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company in accordance with Section 177 (9) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Regulations) Requirements, 2015 has established a Vigil Mechanism/Whistle Blower Policy to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct or grievances & to provide adequate safeguards against victimization of persons who may use such mechanism. The mechanism provides for direct access to the Chairman of the Audit Committee in exceptional circumstances. The Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose and no concern was reported during the Financial year ended 31.03.2022. The Vigil Mechanism/Whistle Blower Policy is posted on the website of the Company and the web link for the same is http://www.owmnahar.com/kovalam/pdf/Whistle-Blower-Policy.pdf

POLICY FOR PRESERVATION OF DOCUMENTS:

In accordance with Regulation 9 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the board has adopted a policy for preservation of documents and the same is also available on the Company's website and the web link for the same is http://www.owmnahar.com/kovalam/pdf/Policy-on-preservation-of-documents.pdf

POLICY FOR DETERMINATION OF MATERIALITY OF THE DISCLOSURE OF EVENTS & INFORMATION:

In accordance with Regulation 30 (4) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 a policy has been adopted regarding disclosures of any events or information which, in the opinion of the board of directors is material and the same is also available on the Company's website and the web link for the same is http://www.owmnahar.com/kovalam/pdf/Policy-for-determination-of-materiality-of-events-or-informations.pdf

ARCHIVAL POLICY:

In accordance with Regulation 30 (8) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 an archival policy has been adopted by the Board. The Archival Policy is available on the Company's website and the web link for the same is http://www.owmnahar.com/kovalam/pdf/Policy-on-Archival-of-Documents.pdf

FAMILIARISATION PROGRAMMES:

The Company, at the time of appointing a Director, issues a formal letter of appointment which, inter alia, explains the role, functions, duties and responsibilities expected from him/her as a Director of the Company. All the Independent Directors are provided with all the Policies/Guidelines as framed by the Company under various statutes and SEBI Regulations, to familiarize them with Company's procedures and practices. Further, to update them on a regular basis, the Company provides copies of all the amendments in Corporate Laws, Corporate Governance Rules and SEBI Regulations. The details of Company's Policy on Familiarization Programs for Independent Directors are posted on the website of the Company and can be accessed at http://www.owmnahar.com/kovalam/pdf/Familiarization-Programme.pdf.

CODE OF CONDUCT:

Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel, which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the code as mentioned hereinabove. The Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct applicable to them, for the financial year ended 31 March, 2022. The said Code is available on the website of your Company at www.owmnahar.com.

GREEN INITIATIVE:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies. Further, as per the provisions of Companies Act, 2013, the Company may send financial statements and other documents by electronic mode to its members. Your Company has decided to join the MCA in its environmental friendly initiative. Accordingly, henceforth Company propose to send documents such as Notice of the General Meetings, Annual Report and other communication to its shareholders via electronic mode to the registered e-mail addresses of shareholders. To support this green initiative of the Government in full measure, shareholders are requested to register/update their latest e-mail addresses with their Depository Participant (D.P.) with whom they are having Demat A/c. We solicit your valuable co-operation and support in our endeavor to contribute our bit to the environment.

LISTING OF EQUITY SHARES AND LISTING FEES:

Your Company's Equity Shares are listed on the BSE Limited (BSE), Mumbai and the listing fees for the financial year 2022-2023 has been duly paid.

HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Industrial Relations remained cordial throughout the year. A detailed section on Human Resources/Industrial Relations is provided in the Management Discussion and Analysis Report, which forms part of this Annual Report.

OTHER DISCLOSURES:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year is not applicable; and

The requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons there of, is not applicable.

ACKNOWLEDGEMENT:

The Directors of the company wish to place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the management of the Company.

By Order of the Board of Directors
For Kovalam Investment and Trading Company Limited

Place: Ludhiana
Date: 11.05.2022

Navdeep Sharma
Director
DIN: 00454285

Komal Jain
Director
DIN: 00399948

ANNEXURE-1 TO THE DIRECTOR'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
KOVALAM INVESTMENT AND TRADING COMPANY LIMITED
(CIN: L65910PB1981PLC023058)
Premises Oswal Woollen Mills Limited
G T Road Sherpur, Ludhiana-141003, Punjab

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KOVALAM INVESTMENT AND TRADING COMPANY 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 Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 (Audit Period) 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, 2022 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 Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- There was no instance of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the audit period as informed to us.

(v) 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 (Prohibition of Insider Trading) Regulations, 2015;

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- Not Applicable as the Company has not issued any securities during the audit period;

d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (upto 12th August, 2021) and The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (with effect from 13th August, 2021)- Not Applicable to the Company during the Review Period.

e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (upto 16th August, 2021) and Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 16th August, 2021) - Not Applicable to the Company during the Review Period.

f. 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 - Not Applicable as the Company is not registered as Registrars to an Issue and Share Transfer Agents;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (up to 9th June 2021) and The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (with effect from 10th June 2021)- Not applicable to the Company during the period under review.

h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable as the Company has not bought back any of its securities during the audit period.

(vi) Reserve Bank of India Act, 1934 and Guidelines made there under.

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. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, as per the explanations and clarifications given to us and the representations made by the Management, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

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

Adequate notice of at least seven days was given to all Directors to schedule the Board Meetings except meetings which were conducted at shorter notice, agenda and detailed notes on agenda were available at the meeting 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.

All the decisions of the Board of Directors were approved unanimously or by majority and same were 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.

Place: - Ludhiana
Date: - 11.05.2022

Signature: -
Name of Company Secretary in Practice: - P. S. Dua
FCS No. 4552
C P No. 3934
UDIN: F004552D000304874
Peer Review Certificate No. 1296/2021

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

Annexure A to Secretarial Audit Report

To
The Members
KOVALAM INVESTMENT AND TRADING COMPANY LIMITED
Premises Oswal Woollen Mills Limited
G T Road Sherpur, Ludhiana-141003, Punjab
(CIN: L65910PB1981PLC023058)

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Wherever required, we have obtained and relied on the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For P. S. Dua & Associates

Company Secretaries
(CP No. 3934)

Date: - 11.05.2022
Place: - Ludhiana
UDIN: F004552D000304874
Peer Review Certificate No. 1296/2021

ANNEXURE-2 TO THE DIRECTOR'S REPORT

Disclosure in the Boards' Report under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary or Manager during the Financial Year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-2022.

Sr. No.	Name & Designation of Director/KMP	Remuneration for F.Y. 2021-2022 (in Rs.)	% age increase/(decrease) in remuneration in the F.Y. 2021-2022	Ratio of Remuneration of each director to median remuneration of employees
1.	Smt. Manisha Oswal Non-Executive Director	5,000/-	$	0.06
2.	Sh. Navdeep Sharma Non-Executive Director	5,000/-	$	0.06
3.	Sh. Komal Jain Independent Director	5,000/-	$	0.06
4.	Sh. Faqir Chand Jandey Independent Director (Resigned w.e.f. 16.03.2022)	4,000/-	$	0.05
5.	Dr. Suresh Kumar Singla* Independent Director (Appointed w.e.f. 30.03.2022)	-	-	-
6.	Sh. Mohinder Kumar Jain Manager (Resigned w.e.f. 01.06.2021)	1,70,000/-	(43.73)	2.11
7.	Sh. Jai Karan Singh Manager (Appointed w.e.f. 13.08.2021)	60903/-	4.41	0.76
8.	Ms. Jyoti Sud Company Secretary Cum Chief Financial Officer	96,000/-	11.45	1.19

$ Details not given as the sitting fees has remained constant at Rs. 1,000/- per Board Meeting.

* Details of Dr. Suresh Kumar Singla not given as he was appointed w.e.f. 30.03.2022.

2. The median remuneration of employees of the Company during the financial year was Rs. 80,433/-

3. In the financial year, there was (13.87%) decrease in the median remuneration of employees.

4. There were 3 permanent employees on the rolls of Company as on March 31, 2022.

5. There was (13.87%) average percentile decrease made in the salaries of employees other than the managerial personnel in the last financial year 2020-2021 and there was (67.04%) average decrease in the managerial remuneration. Due to highest paid salaried Key Managerial Personnel has resigned from the Company during the financial year 2021-2022.

6. It is hereby affirmed that the remuneration paid to Directors, KMP's and other employees during the year is as per the Remuneration Policy of the Company.

Details of Top ten employees of the Company in terms of salary drawn as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2021-2022.

Sr. No	Name & Designation	Remuneration Received (in Rs.)	Nature of Employment	Qualification and Experience	Date of commencement of employment	Age (in years)	Last employment held	% age of equity shares held	Whether relative of any director or manager
1.	Sh. Mohinder Kumar Jain (Manager)*	1,70,000/-	Full-time	B.Com 32 years	01.08.2015	74 years	Oswal Woollen Mills Limited	Nil	No
2.	Sh. Jai Karan Singh (Manager)*	98,000/-	Full-time	B. Com and LLB 32 years	01.04.2003	60 years	Nil	Nil	No
3.	Ms. Jyoti Sud (Company Secretary Cum Chief Financial Officer)	96,000/-	Full-time	B.Com, Company Secretary and CA (Inter) 8 years	25.02.2019	37 years	Shreyans Financial and Capital Services Limited	Nil	No
4.	Mr. Sameer Chawla (Finance and Accounts Officer)	80,433/-	Full-time	B. Com 4 years	24.11.2021	22 years	VGCA & Associates	Nil	No

*Sh. Mohinder Kumar Jain had resigned w.e.f. 01.06.2021, in his place Sh. Jai Karan Singh was appointed as Manager w.e.f. 13.08.2021.

Note:

i. During the Financial Year 2021-2022, there was no employee who, if employed throughout the financial year, was in receipt of remuneration in the aggregate, not less than one crore and two lakh rupees.

ii. During the Financial Year 2021-2022, there was no employee who, if employed for a part of the financial year, was in receipt of remuneration for any part of the year, at a rate which, in the aggregate, was not less than Eight Lakhs and Fifty Thousand Rupees per month.

iii. During the Financial Year 2021-2022, there was no employee who, if employed throughout the financial year or part thereof, was in receipt of remuneration in the year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, was 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 two percent of the equity shares of the Company.

By Order of the Board of Directors
For Kovalam Investment and Trading Company Limited

Place: Ludhiana
Date: 11.05.2022

Navdeep Sharma
Director
DIN: 00454285

Komal Jain
Director
DIN: 00399948

ANNEXURE -3 TO THE DIRECTORS' REPORT

SALIENT FEATURES OF THE NOMINATION AND REMUNERATION POLICY
[as Per Proviso To Section 178(4) Of The Companies Act, 2013]

APPLICABILITY

This Policy is applicable to:

a. Directors (Executive, Non-Executive and Independent)
b. Key Managerial Personnel (KMP)
c. Senior Management Personnel
d. Other employees as may be decided by the Committee ("NRC")

OBJECTIVE

The Policy provides criteria for:

1. Determining qualifications, positive attributes and independence of a Director;
2. Performance evaluation of Independent Directors, non- independent Directors, Chairman and the Board;
3. Remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees, as may be decided by the Committee;

PROVISIONS RELATING TO REMUNERATION OF MANAGING DIRECTOR, KEY MANAGERIAL PERSONNEL, SENIOR MANAGEMENT PERSONNELAND OTHER EMPLOYEES

The following are the guiding factors:

- The scope of duties, the role and nature of responsibilities;
- The level of skill, knowledge, experience, local factors and expectations of individual;
- The Company's performance, long term strategy and availability of resources;
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMPs, Senior Management Personnel and other employees of the quality required to run the Company successfully; and
- Relationship of remuneration to performance is clear and meets appropriate performance benchmark;

PROVISIONS RELATING TO REMUNERATION OF NON-EXECUTIVE / INDEPENDENT DIRECTOR(S)

The following are the guiding factors:

- The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force and as decided by the Board from time to time.
- The Non-Executive/ Independent Director(s) may also receive remuneration / compensation / commission etc as per criteria/limit thereof prescribed under Companies Act, 2013 and rules made thereunder
- Any increase in the maximum aggregate remuneration payable beyond permissible limit under the Companies Act, 2013 shall be subject to the approval of the Shareholders', as may be applicable

EVALUATION

The evaluation will be done on following parameters:

1. Role which he/she is expected to play, internal Board Relationships to make decisions objectively and collectively in the best interest of the Company to achieve organizational successes and harmonizing the Board;
2. Attendance and contribution at Board and Committee meetings;
3. Subject expertise, skills, behavior, experience, leadership qualities, understanding of business and strategic direction to align company's values and standards;
4. Ability to monitor the performance of management and satisfy himself with integrity of the financial controls and systems in place by ensuring right level of contact with external stakeholders
5. Vision on Corporate Governance and Corporate Social Responsibility
6. Ability to create a performance culture that drives value creation and a high quality of discussions;
7. Effective decision making ability to respond positively and constructively to implement the same to encourage more transparency;

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERVIEW:

Kovalam Investment and Trading Company Limited is registered with the Reserve Bank of India ("RBI") as a Non-Deposit taking, Non-Banking Financial Company and is a Financial/Investment Company.

ECONOMIC OVERVIEW:

An unprecedented scale of vaccination programme across the country along with supportive policies helped the Indian economy withstand challenges posed by the second and third wave of the pandemic. Second advance estimates by the Ministry of Statistics and Program Implementation put India's FY22 GDP growth at 8.9% as compared to a 7.3% contraction in FY21, hinting at an overall recovery of economic activities to pre-pandemic levels. Growth is expected to be strong across sectors, with manufacturing and services demonstrating a strong recovery. In May 2022, the Reserve Bank of India changed the Repo Rate to 4.40% after a long time, increasing it by 40 basis points. Industry's Gross Value Added (GVA) is expected to rise by 11.8% in FY22 after contracting by 7% in FY21. The services sector, hit hardest by the pandemic, is estimated to grow 8.2% in FY22 against a contraction of 8.4% last year.

India has seen consistent supply-side reforms rather than a total reliance on demand management. Over the past few years, the government has undertaken several measures – it has deregulated several sectors, simplified processes, removed retrospective taxation, accelerated privatisation, and introduced production-linked incentives, among others. Through the Production-linked Incentive (PLI) scheme, the government is trying to position India as a manufacturing hub in keeping with its vision of Aatmanirbhar Bharat. The PLI scheme is in place for 14 sectors and is being implemented for many more sectors, including electronics. High-frequency indicators monitored by the government to understand the underlying state of our economy, reflect strong recovery. Take the gross Goods and Services Tax collection for FY22, which stood at a little over Rs. 14.8 trillion, 17.5% higher than that in FY20 (pre-pandemic year). Despite supply side constraints, inflationary pressures and the impact of geopolitical tensions, India's growth story continues to remain intact.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Non-Banking Financial Institutions (NBFIs) are an important alternative channel of finance in India's bank dominated financial sector. NBFCs supplement banks by providing the infrastructure to allocate surplus resources to individuals and companies. Additionally, NBFCs also introduces competition in the provision of financial services. While banks may offer a set of financial services as a packed deal, NBFCs unbundle and tailor these services to meet the needs of specific clients. NBFCs provide multiple alternatives to transform an economy's savings into capital investment.

Recent developments in the Non-Banking Financial Companies (NBFC) sector have brought the sector under greater market discipline. India has a lot of un-banked and under banked consumers and businesses. Hence, there is a lot of potential for NBFCs to tap that area. The NBFCs are being recognized as being vital for economic growth.

Pursuant to RBI's regulatory framework, your Company is a "Non- Banking Financial Company Non-Systemically Important (Non- public deposit taking company) (NBFCs-ND-NSI) registered under Reserve Bank of India ("RBI") vide registration number N-06.00576 dated October 17, 2003 and involved in the activities of Investment in shares as well as trading and financing activities.

FUTURE OUTLOOK:

Global rating agencies are bullish about the country's economy, which is expected to register the fastest GDP growth in the Asia-Pacific region in FY23 (Source: S&P Global). India's GDP is estimated to grow at 7.8% for

FY23 while the average GDP growth in the Asia-Pacific region is projected to be at 5.1% for 2022 and ~4.5% in 2023-2025. The fast pace of the growth will be aided by an increasing number of vaccinated individuals, gains from supply-side reforms, strengthening export growth (driven by PLI scheme as well as India emerging as an alternative sourcing destination), and increasing capital spending, especially on large scale infrastructure projects.

The Company also intends to continue focusing on diversifying its business into new avenues of Investment/financial deals with lower risk to earn reasonable returns and making its best efforts to utilize the available opportunities with caution and emerge as fully Integrated Financial Company.

RISK AND CONCERNS:

As a NBFC, the Company is exposed to market risk, global risk, regulatory risk, credit risk, liquidity risk, competition risk and interest rate risk etc. which can affect the return on investments and financial business in unexpected way. Sustained efforts to strengthen the risk framework and portfolio quality have yielded consistently better outcomes for the Company.

OPPORTUNITIES AND THREATS:

During the financial year 2021-2022, your Company changed the pattern of allocation of funds. Company also increased lending to known Business associates and Group Companies for safety and higher returns. Company is hopeful that revised allocation will help in better Asset Portfolio Management to get the better returns with safety.

Your Company foresees and is cautious of all the economic and financial threats while making new investments and also aware of the fact that change in Government policies and rate of interest revisions will affect the valuation of investments made by Company.

FINANCIAL/OPERATIONAL PERFORMANCE:

The Company achieved an income of Rs. 2,10,88,467.70 with a profit before tax of Rs. 1,98,88,781.31. The detailed performance has already been discussed in the Directors' Report under the column 'Financial Performance'.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company is maintaining an efficient and effective system of Internal Financial Control for the facilitation of speedy and accurate compilation of financial statements. The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations and procedures. Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has also appointed M/s. Piyush Singla & Associates, Chartered Accountants as an Internal Auditors of the Company. The Company has in place adequate internal financial control systems with reference to the Financial Statements. The Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company. During the year, Company's Internal Controls were tested and no reportable weakness in the system was observed.

HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The Industrial Relations remained cordial throughout the year. The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. The total permanent employee's strength of the Company was 3 (three) as on 31st March 2022.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS:

As per SEBI (Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2018, the Company is required to provide details of significant changes (change of 25% or more as compared to immediately previous financial year) in key financial ratios. Accordingly, the Company has identified the following ratios as key financial ratios:-

Ratios	Unit	31.03.2022	31.03.2021	% Change
PBT/Total Income	%	94.31	95.29	(1.03)
Financial Assets to Total Assets	%	99.51	99.28	0.23
Financial Income/Total Income	%	100	99.88	0.12
Return on Net Worth	%	1.62	9.24	(82.44)
Current Ratio	%	2059	2308	(10.79)

Ratios have been rounded off upto two decimal points.

EXPLANATION FOR CHANGE OF 25% OR MORE IN KEY FINANCIAL RATIOS:

Due to increase in the value of Investments Return on net worth has decreased during the financial year 2021-2022.

CAUTIONARY STATEMENT:

Though the statement and views expressed in the above said report are on the basis of best judgment but the actual future results might differ from whatever is stated in the report.

For and on behalf of the Board
For Kovalam Investment and Trading Company Limited

Date: 11.05.2022
Place: Ludhiana

(Navdeep Sharma)
Director
DIN: 00454285

(Komal Jain)
Director
DIN: 00399948

REPORT ON CORPORATE GOVERNANCE

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")]

REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2022, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015 ("Listing Regulations")

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE REPORT

In Kovalam Investment and Trading Company Limited ("The Company"), we strongly believe that establishing good corporate governance practices in each and every function of the organization leads to increased operational efficiencies and growth as well as enhancing investor confidence. Beyond mere compliance we are committed towards taking initiative to enhance investor's wealth in the long run. This is reflected in the well balanced and independent structure of Company's eminent and well represented Board of Directors. The Company considers it absolutely essential to abide by the laws and regulations of the land in letter and spirit and is committed to the highest standards of corporate governance and be considered as a good corporate citizen of the Country. Our Corporate Governance framework ensures that we make timely disclosures and share accurate information regarding our financials, performance and operations of the Company.

The Company as a good Corporate citizen complies with the conditions of corporate governance pursuant to the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time.

BOARD OF DIRECTORS

The Company has a diversified Board, constituted in compliance with the ("The Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and in accordance with the best practices of Corporate Governance. The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. The Company is managed by the Board of Directors in co-ordination with the Senior Management.

The Board of Directors constitute of 4 (Four) Directors. There are 2 (Two) Non- Executive Directors and remaining 2 (Two) Independent Directors.

The Board of Directors meets at least once in every quarter and also as and when required.

During the year under review, the Board met on 5 (Five) occasions viz. May 27, 2021, August 13, 2021, November 12, 2021, February 14, 2022 and March 30, 2022. The maximum gap between any two Board meetings was less than One hundred and twenty days.

Category of each director on the Board, their status, their attendance at the Board Meetings and the last Annual General Meeting together with the details of number of other directorships and Committee Membership(s)/ Chairmanship(s) of each Director and Name of other Listed Entities in which concerned director is a director and the category of directorship as at 31.03.2022 are as under:

Name of the Director	Category of Director	No. of Board Meetings Attended	Attendance at AGM held on 27.09.2021	No. of Directorship[1]	No. of Committees[2] in which Chairman / Member		Name of Other Listed entities in which concerned director is a director	The category of directorship
					Chairman	Member[3]		
Sh. Navdeep Sharma	Non- Executive	5 of 5	Present	8	-	-	a) Nahar	Non-Executive

(DIN: 00454285)	Non-Independent Director						Industrial Enterprises Limited	– Non Independent Director
Smt. Manisha Oswal (DIN: 06948181)	Non- Executive Non-Independent Director	5 of 5	Present	1	-	-	-	-
Sh. Komal Jain (DIN: 00399948)	Non- Executive Independent Director	5 of 5	Present	5	-	-	-	-
Dr. Suresh Kumar Singla[4] (DIN: 00403423)	Non- Executive Independent Director	N.A.	N.A.	5	6	2	a) Nahar Industrial Enterprises Limited	Non-Executive Independent Director
							b) Monte Carlo Fashions Limited	Non-Executive Independent Director
							c) Nahar Poly Films Limited	Non-Executive Independent Director
							d) Nahar Capital and Financial Services Limited	Non-Executive Independent Director
							e) Nahar Spinning Mills Limited	Non-Executive Independent Director

Notes:

1. *The number of directorships excludes directorship of Kovalam Investment and Trading Company Limited, Private Companies, Foreign Companies and Companies incorporated under Section 8 of the Companies Act, 2013.*
2. *Chairmanship/ Membership of Committee only includes Audit Committee and Stakeholders Relationship Committee as per Regulation 26 (1) (b) of the Listing Regulations in Indian Public Limited Companies other than Kovalam Investment and Trading Company Limited.*
3. *Number of memberships in Committees are inclusive of Chairmanship.*
4. *Sh. Faqir Chand Jandey (DIN: 08379534) resigned from the post of Directorship of the Company w.e.f. 16.03.2022 and in his place Dr. Suresh Kumar Singla (DIN: 00403423) was appointed as an Additional Independent Director of the Company w.e.f. 30.03.2022. Accordingly, he is proposed to be appointed as an Independent Director in the ensuing Annual General Meeting by way of Special Resolution.*
5. There are no inter-se relationships between the Board Members.

The number of Directorships and Committee positions held by the Directors are in conformity with the limits laid down in the Companies Act, 2013 and Listing Regulations, as on 31st March, 2022.

SHAREHOLDING DETAILS OF DIRECTORS AS ON 31.03.2022:

None of the Non-Executive/ Independent Directors holds any share of the Company.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Company on appointment of an Independent Director, issues a formal Letter of Appointment setting out the terms of appointment, duties and responsibilities. The Company in terms of Regulation 25(7) of Listing Regulations, has also put in place a system to familiarize the Independent Directors of their roles, rights,

responsibilities, nature of industry in which the Company operates, business model of the Company and the ongoing events relating to the Company. It aims to provide the Independent Directors an insight into the Company's functioning and to help them to understand its business in depth, so as to enable them to contribute significantly during the deliberations at the Board and Committee meetings. The details of Familiarization Programme imparted to Independent Directors can also be accessed from http://owmnahar.com/kovalam/pdf/Familiarization-Programme.pdf

CHART SETTING OUT THE CORE SKILLS/EXPERTISE/COMPETENCE OF THE BOARD OF DIRECTORS

Core skills/expertise/ competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively	**Those actually available with the board**	**Name of the Directors who have such skills**
1. Quick decision making	As per the Board, all these skills/expertise/competencies are available with the Board	Sh. Navdeep Sharma Smt. Manisha Oswal Sh. Komal Jain Sh. Faqir Chand Jandey* Dr. Suresh Kumar Singla*
2. Understanding of Company's business		
3. Leadership Skills		
4. Understanding of relevant laws, rules, regulations and policies		
5. Corporate Governance		
6. Ability to understand Financial Statements		
7. Industry knowledge and experience		
8. Finance and Taxation		

**Sh. Faqir Chand Jandey (DIN: 08379534) resigned from the post of Directorship of the Company w.e.f. 16.03.2022 and in his place Dr. Suresh Kumar Singla (DIN: 00403423) was appointed as an Additional Independent Director of the Company w.e.f. 30.03.2022. Accordingly, he is proposed to be appointed as an Independent Director in the ensuing Annual General Meeting by way of Special Resolution.*

CONFIRMATION FROM THE BOARD:

Pursuant to clause C(2) (i) of Schedule V read with Regulation 34(3) of Listing Regulations, in the opinion of the Board all the independent directors fulfill the conditions required for independent directors as specified in the Listing Regulations and are independent of the management.

DETAILED REASONS FOR THE RESIGNATION OF AN INDEPENDENT DIRECTOR WHO RESIGNS BEFORE THE EXPIRY OF HIS TENURE ALONG WITH A CONFIRMATION BY SUCH DIRECTOR THAT THERE ARE NO OTHER MATERIAL REASONS OTHER THAN THOSE PROVIDED:

Sh. Faqir Chand Jandey (DIN: 08379534), Independent Director has resigned from the Directorship of the Company before the expiry of his term of appointment on 16.03.2022 due to the fact that he could not qualify the online proficiency self-assessment test of Independent Director conducted by the Indian Institute of Corporate Affairs, Ministry of Corporate Affairs (Govt. of India) at Manesar.

The said director has also given confirmation to the Company that other than the reason mentioned above, there are no other material reasons for his resignation as an Independent Director of the Company. The Company has informed the same to the Bombay Stock Exchange ("BSE/Stock Exchange").

Notes:

a. Based on the respective disclosures made by the Directors including Independent Directors, no Director of the Company holds the office of Director in more than seven (7) listed entities, and was not a member of the more than 10 (ten) Committees or acted as Chairperson of more than five (5) Committees, across all the companies in which he / she was a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

b. None of the Directors held Directorships in more than twenty (20) Indian companies including ten (10) public limited companies.

c. None of the Independent Directors of the Company served as Independent Director in more than 7 listed companies.

d. None of the Independent Directors is a Whole – Time Director in any other company.

e. All Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013.

f. Formal letters of appointment have been issued to the Independent Directors.

g. The meeting of the Independent Directors of the Company was held on Friday, November 12, 2021.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL:

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Code has been communicated to the Directors and the members of Senior Management. The said Code of Conduct is available at the link http://www.owmnahar.com/kovalam/pdf/Code-of-Conduct.pdf. The Company has received confirmations from the Directors and Senior Management regarding compliance with the Code for the year ended 31st March, 2022. A declaration to this effect signed by Manager of the Company is annexed to this report.

COMMITTEES OF THE BOARD:

The Board of Directors has constituted various Committees of Board in accordance with the provisions of Companies Act, 2013 and the Listing Regulations to take informed decisions in the best interest of the Company. These Committees monitor the activities falling within their terms of reference. These Committees play an important role in overall management of day to day affairs and governance of the Company. Details on the role and composition of these committees, including the no. of meetings held during the financial year and attendance at meetings are provided below:

(A) Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Section 177 of the Companies Act, 2013, read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of 3 (Three) members with the Chairman of the Committee being an Independent Director. The Audit Committee met on 4 (four) occasions viz. May 27, 2021, August 13, 2021, November 12, 2021 and February 14, 2022 to deliberate on various matters. Not more than 120 days lapsed between any two consecutive meetings of the Audit Committee during the year. The necessary quorum was present at all the Meetings. The Chairman of the Audit committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

Further, the Audit Committee was reconstituted by the Board in its Meeting held on 30.03.2022 pursuant to the resignation of Sh. Faqir Chand Jandey from the directorship and appointment of Dr. Suresh Kumar Singla, Independent Director, in his place as a member of the Committee.

The composition of the Audit Committee as at 31.03.2022 and particulars of meetings attended by the members during the financial year 2021-22 are given hereunder:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Sh. Komal Jain	Chairman	Non-Executive Independent	4
2.	Sh. Navdeep Sharma	Member	Non-Executive Non-Independent	4
3.	Dr. Suresh Kumar Singla	Member	Non-Executive Independent	N.A.

The Company Secretary acts as the secretary to the Audit committee.
Sh. Komal Jain, the Chairman of the Audit Committee was present at the last Annual General Meeting held on September 27, 2021.

The members of the Audit Committee are financially literate and bring in expertise in field of finance, taxation etc. The terms of reference of the Audit Committee are in line with Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:

Power of the Audit Committee:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Role of the Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

b. Changes, if any, in accounting policies and practices and reasons for the same;

c. Major accounting entries involving estimates based on the exercise of judgment by management;

d. Significant adjustments made in the financial statements arising out of audit findings;

e. Compliance with listing and other legal requirements relating to financial statements;

f. Disclosure of any related party transactions; and

g. Modified Opinion(s) in the draft audit report.

5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;

12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. Reviewing the functioning of the Whistle Blower Policy / Vigil Mechanism;
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

In addition to the above, the following items will be reviewed by the Audit Committee:-

23. management discussion and analysis of financial condition and results of operations;
24. management letters / letters of internal control weaknesses issued by the statutory auditors;
25. internal audit reports relating to internal control weaknesses; and
26. the appointment, removal and terms of remuneration of the of the chief internal auditor shall be subject to review by the audit committee;
27. statement of deviations:

(a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to BSE/Stock exchange in terms of Regulation 32(1) of Listing Regulations.

(b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of Listing Regulations.

(B) Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of 3 (Three) members (all are Non-Executive Directors) and the Chairman of the Committee is an Independent Director. During the year under review, the Committee met 2 (twice) time on August 13, 2021 and March 30, 2022. The necessary quorum was present at the meeting. The Company Secretary acts as the secretary to the Committee. The Chairman of the Nomination and Remuneration committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

Further, the Nomination and Remuneration Committee was reconstituted by the Board in its Meeting held on 30.03.2022 pursuant to the resignation of Sh. Faqir Chand Jandey from the directorship and appointment of Dr. Suresh Kumar Singla, Independent Director, in his place as a member of the Committee.

The composition of the Nomination and Remuneration Committee as at 31.03.2022 and particulars of meetings attended by the members are given below:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Sh. Komal Jain	Chairman	Non-Executive Independent	1
2.	Sh. Navdeep Sharma	Member	Non-Executive Non-Independent	1
3.	Dr. Suresh Kumar Singla	Member	Non-Executive Independent	N.A.

Terms of Reference:

The terms of reference of the Nomination and Remuneration Committee are in line with Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 and rules made thereunder. The brief description of the terms of reference of the Committee is described below:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  a. use the services of an external agencies, if required;
  b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  c. consider the time commitments of the candidates.
- Formulation of criteria for evaluation of independent directors and the board of directors;
- Devising a policy on diversity of board of directors;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance Evaluation:

In compliance with the requirements of the provisions of Section 178 of the Companies Act, 2013 and the listing regulations, the Company has devised a policy for performance evaluation of Independent Directors, Board, Committees and other Directors which includes criteria for performance evaluation of the non-executive directors. The evaluation of the Independent Directors was carried out by the Board excluding the director being evaluated and that of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. The performance was reviewed on the basis of the 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. The Directors express their satisfaction over the entire evaluation process.

(C) Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprises of 3 (Three) members and the Chairman of the

Committee is Sh. Komal Jain, Non-Executive Independent Director of the Company. During the year under review, Committee met on 4 (four) occasions viz. May 27, 2021, August 13, 2021, November 12, 2021 and February 14, 2022 to deliberate on various matters. The necessary quorum was present at all the meetings.

The Committee looks into various queries / issues relating to shareholders/ non-receipt of dividend, Annual Report. Ms. Jyoti Sud, Company Secretary is the Compliance Officer of the Company. The Company Secretary acts as the secretary to the Committee. The Chairman of the Stakeholders Relationship committee was present at the last Annual General Meeting of the Company for addressing shareholders queries.

Further, the Stakeholders Relationship Committee was reconstituted by the Board in its Meeting held on 30.03.2022 pursuant to the resignation of Sh. Faqir Chand Jandey from the directorship and appointment of Dr. Suresh Kumar Singla, Independent Director, in his place as a member of the Committee.

The table below highlights the composition and attendance of the Members of the Committee as on March 31, 2022:

Sr. No.	Name of the Director	Position	Category	No. of Meetings attended
1.	Sh. Komal Jain	Chairman	Non-Executive Independent	4
2.	Sh. Navdeep Sharma	Member	Non-Executive Non-Independent	4
3.	Dr. Suresh Kumar Singla	Member	Non-Executive Independent	N.A.

Terms of Reference

The Stakeholders Relationship Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

- Consideration and redressal of grievances of the security holders of the Company, including complaints in respect of transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

Details of Shareholder's complaints Received, Solved and Pending:

Particulars	No. of Complaints	Particulars	No. of Complaints
Pending as on 01-04-2021	0	Resolved during the year	0
Received during the year	0	Pending as on 31-03-2022	0

No complaints remained unattended/ pending for more than thirty days. The Company has no share transfers/ transmission pending as on March 31, 2022. Further, no shareholders complaint/ grievance were received under 'SCORES' during the Financial Year 2021-2022.

Risk Management Committee is not applicable to the Company.

Corporate Social Responsibility Committee is not applicable to the Company.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The meeting of Independent Directors was held on November 12, 2021 inter alia:

- To review the performance of Non-Independent directors and the Board as a whole;
- To review the performance of the Chairperson of the Company, and;
- To assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

REMUNERATION OF DIRECTORS:

Directors with Pecuniary Relationship or Business Transaction with the Company:

The Board comprises with Non-Executive Directors and they have not been paid any remuneration.

Details of sitting fees paid for attending the Board Meetings during the Financial Year ended March 31, 2022 is as follows:

(Amount in Rs.)

Sr. No.	Name of the Director	Sitting Fees	Total
1.	Sh. Navdeep Sharma	5,000/-	5,000/-
2.	Sh. Komal Jain	5,000/-	5,000/-
3.	Smt. Manisha Oswal	5,000/-	5,000/-
4.	Sh. Faqir Chand Jandey	4,000/-	4,000/-
5.	Dr. Suresh Kumar Singla	N.A.	N.A.

CRITERIA FOR MAKING PAYMENTS TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As per the Nomination & Remuneration Policy of the Company, the Board, on the recommendation of the Nomination and Remuneration Committee, reviews and approves the remuneration payable to the Key Managerial Personnel. The Board and the Committee considers the provisions of the Companies Act, 2013 and approving the remuneration of the Key Managerial Personnel.

The remuneration / sitting fees, as the case may be paid to the Non-Executive / Independent Director, shall be in accordance with the provisions of the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / Shareholders.

Note:

There are no stock options, pension, bonuses, benefits, service contracts, severance fees, fixed component and performance linked incentives along-with the performance criteria to the Directors.

GENERAL BODY MEETINGS:

1. The details of the last three Annual General Meeting(s) of the Company are given as follows:

Year	Day and Date	Time	Venue	No. of Special Resolutions
2020-2021	Monday, 27th September, 2021	04:00 P.M.	Registered Office of the Company situated at Premises Oswal Woollen Mills Ltd, G.T Road, Sherpur, Ludhiana through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility	1
2019-2020	Friday, 25th September, 2020	04:00 P.M.	Registered Office of the Company situated at Premises Oswal Woollen Mills Ltd, G.T Road, Sherpur, Ludhiana through Video Conferencing (VC) / Other Audio Visual Means (OAVM) facility	1
2018-2019	Saturday, 28th September, 2019	04:00 P.M.	Registered Office of the Company situated at Premises Oswal Woollen Mills Ltd, G.T Road, Sherpur, Ludhiana	1

2. POSTAL BALLOT/ EXTRA-ORDINARY GENERAL MEETING

The Company has not conducted any Postal Ballot Exercise and Extra-Ordinary General Meeting during the Financial Year ended March 31, 2022 and no Special Resolution is proposed to be conducted through Postal Ballot.

MEANS OF COMMUNICATION:

a) Prior intimation of the Board Meeting to consider and approve the Unaudited/ Audited Financial Results of the Company is submitted to the BSE/Stock Exchange and also disseminated on the website of the Company.

b) The Quarterly/ Half Yearly / Annual Financial Results of the Company are published generally through The Poineer (English Newspaper), Desh Sewak (Punjabi Newspaper) and are also posted on the Company's website i.e. http://www.owmnahar.com/kovalam/newspaper-publications.php

c) The Company's website i.e. http://www.owmnahar.com/kovalam/about.php also contains an exclusive section on '**Investors'** which enables them to access information such as Quarterly / Half Yearly / Annual Financial Statements, Corporate Governance, Shareholding Patterns.

d) Whether it also displays official news releases- Not Applicable

e) SEBI Complaints Redress System ("SCORES") is a web based complaint redress system. Action Taken Reports (ATRs) on the investor complaint(s) are uploaded on the SCORES for online viewing by investors of actions taken on the complaint by the Company and its current status.

f) Presentations made to institutional investors or to the analysts: No presentations have been made to institutional investors or to the analysts during the year under review.

GENERAL SHAREHOLDER INFORMATION

Day & Date of 40th Annual General Meeting	Monday, 27th Day of June, 2022
Financial Year	2021-2022
Time	At 04:00 P.M.
Venue	Pursuant to the General Circular numbers 20/2020, 14/2020, 17/2020, 02/2021, 19/2021, 21/2021 and 2/2022 issued by the Ministry of Corporate Affairs and all other relevant laws, regulations and circulars issued from time to time, the 40th Annual General Meeting ("AGM") of the Company will be held through video-conferencing (VC)/other audio visual means (OAVM) and the detailed instructions for participation and voting at the meeting is available in the notice of the 40th AGM.
Date of Book Closure	June 21, 2022 to June 27, 2022 (both days inclusive)
Listing on Stock Exchanges	The Equity Shares of the Company are listed on the following Stock Exchange:- BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.
ISIN	INE735U01011
Stock Code/Symbol	For trading at BSE: 505585
Dividend Payment Date	Not Applicable

Listing Fee / Annual Custody Fee:

The Annual Listing Fee has been paid to BSE for the financial year 2022-2023. The Company has also made the

payment of Annual Custody fee to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for the financial year 2022-2023.

Market Price Data:

Market Price Data of Company's Equity Shares traded on BSE Limited, during the period April 2021 to March 2022 are as follows:

Share Price BSE			
Month	**High (in Rs.)**	**Low (in Rs.)**	**Closing (in Rs.)**
NIL			

(Market Price Data Source: www.bseindia.com. The Company does not have any other source for verification of data)

Performance in comparison to broad-based indices such as BSE Sensex:

Share Price BSE				Volume	BSE SENSEX		
Month	**High (in Rs.)**	**Low (in Rs.)**	**Closing (in Rs.)**	**No. of Shares**	**High (in Rs.)**	**Low (in Rs.)**	**Closing (in Rs.)**
NIL							

(Source: www.bseindia.com. The Company does not have any other source for verification of data)

In case the securities are suspended from trading, the directors report shall explain the reason thereof: Not Applicable

Registrar & Share Transfer Agent:

ALANKIT ASSIGNMENTS LIMITED

UNIT: KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055

Tel.: 011 - 42541234 / 42541960, Fax. 011 – 42541201,

Email: info@alankit.com

Website: www.alankit.com

Share Transfer System:

Stakeholders Relationship Committee has been constituted to approve all the transfers, transmission, Demat/ remat of shares etc. and all the share transfer/transmission/transposition/ dematerialization/ re-materialization are handled by our Registrar and Transfer Agents i.e. Alankit Assignments Limited. During the year under review, no requests received for transfer/ transmission/ dematerialization/ re-materialization of shares etc.

The Company also obtains a Certificate of Compliance with the share transfer formalities from a Practicing Company Secretary as required under Regulation 40(9) of Listing Regulations and has submitted a copy of the said certificate with the Stock Exchanges on financial yearly basis.

Distribution of Shareholding as on March 31, 2022:

S. No.	Distribution of No. of Shares	No. of Shareholders	% age of No. of Shareholders	No. of Shares held	% age of shares held
1.	1-500	13	2.52	1249	0.06
2.	501-1000	484	93.80	343640	15.45

3.	1001-2000	0	0	0	0
4.	2001-3000	0	0	0	0
5.	3001-4000	0	0	0	0
6.	4001-5000	0	0	0	0
7.	5001-10000	2	0.39	16390	0.74
8.	10001 to above	17	3.29	1862635	83.75
	Total	**516**	**100.00**	**2223914**	**100.00**

Commodity price risk or foreign exchange risk and hedging activities: NIL

Shareholding pattern as on 31.03.2022:

Category	No. of Shares	% age
Promoters & Promoters Group	1666735	74.95
Bodies Corporate, Mutual Fund, Public and Others	557179	25.05

Dematerialization of Equity Shares and Liquidity:

As on March 31, 2022, 74.95% of the total equity share capital of the Company (1666990 Equity Shares) were held in dematerialised form. The Company has entered into agreements with National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialization of shares through Alankit Assignments Limited, Registrar & Transfer Agent (RTA) of the Company.

Secretarial Compliance Report

SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued there under. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR– 3 and is required to be submitted to Stock Exchanges within 60 days of the end of the financial year.

Reconciliation of Share Capital Audit:

As stipulated by SEBI under Regulation 76 of the SEBI (Depositories and Participants) Regulations, 2018, a Company Secretary in whole time practice carries out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchange where the Company's Shares are listed. The audit confirms that the total Listed and Paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL

Plant Locations: NIL

Disclosure of Commodity price risk and commodity hedging activities: Not Applicable

Address for Correspondence:

Company	Alankit Assignments Limited (RTA)
The Company Secretary Kovalam Investment and Trading Company	Alankit House, 4E/2, Jhandewalan Extension, New Delhi,

Limited Premises Oswal Woollen Mills Ltd., G.T.Road, Sherpur, Ludhiana-141 003, Punjab Website: http://www.owmnahar.com/kovalam/about.php Ph. No. 0161-5066607	Delhi, 110055 Tel.: 011 - 42541234 / 42541960, Fax.: 011 – 42541201, Email: info@alankit.com, Website: www.alankit.com

For any assistance regarding Share Transfer(s), Transmission(s), Change of Address, issue of Duplicates/ Lost share certificate(s)/Dematerialisation/ Rematerialisation of Share(s) and other relevant matters please write to the Registrar and Transfer Agent (RTA) of the Company.

Further, Members are required to note that, in respect of shares held in dematerialized form, they will have to correspond with their respective Depository Participants (DPs) for any change related to Address, Bank details or any other related matter.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad: NIL

OTHER DISCLOSURES

- **Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large:**

  As on March 31, 2022, Related Party Transactions was entered into with Group Companies and with related parties as per given at Note No. 25 to the Financial Statements of the Company. All the related party transactions were in the ordinary course of business and on Arm's length basis and are not in conflict with the interest of the Company.

- **Details of non-compliance by the company, penalties and strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years.**

  BSE Limited, Stock Exchange where equity shares of the Company is traded, had issued the notice bearing No. LIST/COMP/505585/SOP: 16102019/238/2019-20 dated November 28, 2019 regarding Non-appointment of Qualified Company Secretary as Compliance Officer as per Regulation 6(1) of SEBI (LODR), Regulations, 2015 in which fine was levied of Rs. 1,73,460/-. The Company paid the fine of Rs. 1,73,460/- to the BSE Limited, Stock Exchange and also appointed Ms. Jyoti Sud, Company Secretary as Compliance Officer of the Company w.e.f. 25.02.2019 pursuant to regulation 6(1) of SEBI (LODR) Regulations, 2015.

  There were no other strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non- compliance of any matter related to the capital market during the last three years except stated above.

  Further, now, the Company has complied with all requirements specified under the Listing Regulations as well as other regulations and SEBI guidelines.

- **Vigil Mechanism / Whisle Blower Policy**

  Pursuant to Section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy / Vigil Mechanism for Directors and employees to report to the management about the unethical behaviour, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. Further the Audit Committee reviews and ensures the adequacy of the system laid down by the Company for the said purpose and no concern was reported during the Financial Year ended 31.03.2022. The said policy is also

posted on the website of the Company and the web link for the same is http://www.owmnahar.com/kovalam/pdf/Whistle-Blower-Policy.pdf

- **Weblink where policy for determining 'material' subsidiaries is disclosed:**

  As on March 31, 2022, your Company does not have any Subsidiary.

- **Web link where policy on dealing with related party transactions:**

  Your Company has also framed a Policy on Related Party Transactions for purpose of identification and monitoring of such transactions in line with the requirements of the Companies Act, 2013 and Listing Regulations, which can also be accessed from the Company's website at http://www.owmnahar.com/kovalam/pdf/RPT-Policy.pdf

- **Other Policies:**

  Your Company has also framed the Policies (i) the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and (ii) the Code of Conduct as required under SEBI (Prohibition of Insider Trading) Regulations, 2015 (iii) Policy on inquiry in case of leak of unpublished price sensitive information (UPSI) and the same is available on the website of Company at http://www.owmnahar.com/kovalam/about.php.

- **Secretarial Compliance Report:**

  SEBI vide its Circular No. CIR/CFD/CMD1/27/2019 dated 8th February, 2019 read with Regulation 24(A) of the Listing Regulations, directed listed entities to conduct Annual Secretarial compliance audit from a Practicing Company Secretary of all applicable SEBI Regulations and circulars/guidelines issued thereunder. The said Secretarial Compliance report is in addition to the Secretarial Audit Report by Practicing Company Secretaries under Form MR-3 and is required to be submitted to Stock Exchanges within 60 days of the end of Financial year.

- **Certificate from Practicing Company Secretary**

  Certificate as required under Part C of Schedule V of Listing Regulations, received from Sh. P.S. Dua of M/s. P.S. Dua & Associates (C.P. 3934), Practicing Company Secretary, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority was placed before the Board of Directors at their meeting held on 11th May, 2022.

- **Disclosure of Commodity price risk and commodity hedging activities:** Not Applicable
- **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** Not Applicable
- **Recommendations of any committee** In the financial year 2021-2022, the Board has accepted all the recommendations of all its committee.
- **Fees paid to Statutory Auditors:** During the year under review, company paid Audit fees of Rs. 20,000/- inclusive of certification charges and out of pocket expensive to Statutory Auditors.
- **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

  The Company has in place an effective mechanism for dealing with complaints relating to sexual harassment at workplace. The details relating to the number of complaints received and disposed of during the financial year 2021-2022 are as under:

  a. number of complaints filed during the financial year: NIL

  b. number of complaints disposed of during the financial year: NIL

  c. number of complaints pending as on end of the financial year: NIL

- **Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by the name and amount:** Not applicable.
- **Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed:**

  The Company has complied with all the requirements of Corporate Governance Report from sub-paras(2) to (10) of Part C of Schedule V of SEBI (LODR), Regulations, 2015.
- **Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause.**

  As on March 31, 2022, the Company has fully complied with the mandatory requirements as stipulated under Listing Regulations. The status of compliance with discretionary recommendations and adoption of the non-mandatory requirements as specified in Regulation 27(1) of the Listing Regulations is being reviewed by the Board.
- **Discretionary Requirements**

  The extent to which the discretionary requirements as specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been adopted:

  The Board

  The requirement relating to maintenance of office and reimbursement of expenses of Non-Executive Chairman is not applicable to the Company since the Chairman of the Company is an Executive Director.

  Shareholders rights

  The Company has not adopted the practice of sending out half-yearly declaration of financial performance to shareholders. Quarterly results as approved by the Board are disseminated to Stock Exchanges and updated on the website of the Company.

  Modified opinion(s) in audit report

  There is no modified opinion in the audit report

  Reporting of Internal Auditor

  In accordance with the provisions of Section 138 of the Act, the Company has appointed an Internal Auditor who reports to the Audit Committee. Internal audit reports submitted on quarterly basis are reviewed by the Audit Committee and suggestion / directions, if any, are given for necessary action.
- **Disclosure of Compliance with Corporate Governance Requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Regulation 46(2) of Listing Regulations:**

  Pursuant to Schedule V of Listing Regulations, the Company hereby confirms that it has complied with the corporate governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) inter-alia covering the following subject matter/heads:

  - Board of Directors
  - Maximum number of directorships
  - Audit Committee
  - Nomination and Remuneration Committee
  - Stakeholders' Relationship Committee
  - Risk Management Committee – Not Applicable
  - Vigil Mechanism
  - Related Party Transactions
  - Corporate governance requirements with respect to subsidiary of Company - Not Applicable

- Secretarial Audit and Secretarial Compliance Report
- Obligations with respect to Independent Directors
- Obligations with respect to Directors and senior management
- Other Corporate governance requirements as stipulated under the Regulations
- Dissemination of various information on the website of the Company w.r.t clauses (b) to (i) of Regulation 46(2).

- **Disclosures with respect to demat suspense account/ unclaimed suspense account**

(1) The listed entity shall disclose the following details in its annual report, as long as there are shares in the demat suspense account or unclaimed suspense account, as applicable:

(a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; NIL

(b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year; NIL

(c) number of shareholders to whom shares were transferred from suspense account during the year; NIL

(d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; NIL

(e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares; Not Applicable

For and on the behalf of Board of Directors
For Kovalam Investment and Trading Company Limited

Date: 11.05.2022
Place: Ludhiana

(Navdeep Sharma)
Director
DIN: 00454285

(Komal Jain)
Director
DIN: 00399948

DECLARATION REGARDING COMPLIANCE WITH CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

I hereby declare that all the Members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the year ended 31st March 2022.

For Kovalam Investment and Trading Company Limited

Place: Ludhiana **Jai Karan Singh**
Date: 11.05.2022 **Manager**

CEO / CFO CERTIFICATION

We the undersigned hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2022 and that to the best of their knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended 31st March, 2022 which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have confirmed that there were no:
(1) significant changes in internal control over financial reporting during the year;
(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Kovalam Investment and Trading Company Limited

Place: Ludhiana **Jai Karan Singh** **Jyoti Sud**
Date: 11.05.2022 **Manager** **CFO Cum Company Secretary**

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To

The Members
Kovalam Investment And Trading Company Limited
(CIN: L65910PB1981PLC023058)

We have examined the compliance of the conditions of Corporate Governance by Kovalam Investment And Trading Company Limited (CIN: L65910PB1981PLC023058) ("the Company"), for the year ended on 31st March 2022, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule-V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (referred to as "SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on 31st March 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. S. Dua & Associates
(Company Secretaries)

P.S. Dua
(FCS No. 4552)
(C. P No. 3934)

Place: - Ludhiana
Dated: - 11.05.2022
UDIN: F004552D000304907
Peer Review Certificate No. 1296/2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Kovalam Investment and Trading Company Limited
Premises Oswal Woollen Mills Ltd,
G T Road, Sherpur,
Ludhiana-141003, Punjab

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Kovalam Investment And Trading Company Limited having CIN: L65910PB1981PLC023058 and having registered office at Premises Oswal Woollen Mills Ltd, G.T. Road, Sherpur, Ludhiana-141003, Punjab (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me/us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Shri Komal Jain	00399948	29/02/2020
2.	Shri Navdeep Sharma	00454285	30/09/2015
3.	Smt. Manisha Oswal	06948181	16/12/2019
4.	Shri Suresh Kumar Singla	00403423	30/03/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P.S. Dua & Associates
Company Secretaries

Place: Ludhiana
Date: 11.05.2022
UDIN: F004552D000304896

P.S. Dua
CP No.: 3934
Peer Review Certificate No. 1296/2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF KOVALAM INVESTMENT AND TRADING COMPANY LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Kovalam Investment And Trading Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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.

Key Audit Matters

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including annexures to the Board's

Report and Management Discussion & Analysis Report, but does not include the standalone financial statements and our auditors' report thereon. The Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated. When we read the Board's Report including annexures to the Board's Report and Management Discussion & Analysis Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility 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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are 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 as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the

aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 ouraudit.

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 thosebooks.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of theAct.

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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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:
The Company has not paid any managerial remuneration.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. (a) The Management has represented that, no funds (which are material either individually or in the aggregate) 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 or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the 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 (i) and (ii) of Rule 11(e), as provided under and (a) and (b) above, contain any material misstatement.

v. Company has not been declared or paid dividend during the year. Hence reporting under rule 11(2)(f) of companies (Audit and Auditors) amendment 2021 is not applicable to the company

2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997
UDIN: 22553997AIUFOR9898

Dated: 11.05.2022
Place: Ludhiana

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of **KOVALAM INVESTMENT AND TRADING COMPANY 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 Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **KOVALAM INVESTMENT AND TRADING COMPANY LIMITED** ("the Company") as of March 31, 2022 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 components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These are responsibilities include the design, implementation and maintenance of adequate internal financial controls that we are operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act,2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section143(10) of the Companies Act,2013 , to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

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 ,to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997
UDIN: 22553997AIUFOR9898
Dated: 11.05.2022
Place: Ludhiana

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KOVALAM INVESTMENT AND TRADING COMPANY LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. The Company does not have any Property, Plant, Equipment, and Intangible Assets. Hence, reporting under the clause 3(i) is not applicable to the company.

ii. (a) The Company does not have any Inventories. Hence, reporting under the clause 3(ii)(a) is not applicable to the company.

(b) The Company has not been any sanctioned working capital limits during the year, from banks on the basis of security of current assets. Hence, the clause is not applicable to the company.

iii. The Company has made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, in respect of which:

(a) The principal business of the company is investments and financing of funds , hence reporting under clause 3(iii)(a) is not applicable to the company

(b) As per the information and explanations given to us and the investments made and the terms and conditions of the grant of loans, during the year are prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are generally been regular as per stipulation.

(d) In respect of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan granted by the Company, which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has granted loan in the nature of loan repayable on demand but company has not provided loans to any promoters, related parties as defined in clause (76) of section 2 of the company Act 2013, hence reporting under clause 3(iii)(f) is not applicable to the company

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not been accepted deposits during the year and does not have any unclaimed

deposits as at March 31, 2022 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. The provision of cost record is not applicable to the company. Hence, reporting under clause 3(vi) is not applicable to the company.

vii. According to the information and explanations given to us, in respect of statutory dues:

a. The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

c. There are no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited on account of any dispute as at March 31, 2022

viii. 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(43 of 1961).

ix. The Company has not taken loans or other borrowings from any lender. Hence, reporting under clause 3(ix) is not applicable to the company

x. (a) The Company has not raised moneys 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.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting underclause 3(x)(b) of the Order is not applicable.

xi. (a) According to information and explanation given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing andextent of our audit procedures.

xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the

records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with thesize and the nature of its business.

(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. (a) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

(b) According to information and explanations given to us and based on the examination of records of the company, company has not conducted any Non-Banking Financial or Housing Finance activities without a valid certificate of registration (COR) from Reserve Bank of India as per Reserve Bank of India Act, 1934.

(c)In our opinion, Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India.

(d) According to information and explanations given to us and based on the examination of records of the company, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors of the Company during the year.

xix. On the basis of the financial ratios, ageing and expected dates of realisation 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 the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit reportindicating that 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 furtherstate 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. CSR provisions have not been applicable to the company. Hence reporting under clause 3(xx) is not applicable to the company

For YAPL & Co.
Chartered Accountants
Firm Regn.No.017800N

(CA Sakshi Garg)
Partner
M.No.553997
UDIN: 22553997AIUFOR9898

Dated: 11.05.2022
Place: Ludhiana

Balance Sheet as at March 31, 2022

(All amounts in rupees, unless otherwise stated)

Particulars	Notes	As at Mar 31, 2022	As at Mar 31, 2021
ASSETS			
Financial assets			
Cash and cash equivalents	3	21,92,491	17,05,225
Loans	4	3,72,00,000	1,42,00,000
Investments	5	1,12,36,30,993	37,74,20,182
Others financial assets	6	1,89,192	496
Total Financial assets		**1,16,32,12,676**	**39,33,25,903**
Non - financial assets			
Current tax assets (net)	7	-	-
Deferred tax Assets (net)		-	-
Other non financial assets	8	33,80,305	11,35,351
Total Non financial assets		33,80,305	11,35,351
TOTAL		**1,16,65,92,981**	**39,44,61,253**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial liabilities			
Other financial liabilities	9	1,38,784	43,276
Total financial liabilities		**1,38,784**	**43,276**
Non-financial liabilities			
Current tax liabilities (net)	7	1,23,945	2,24,909
Deferred tax liabilities (net)		5,07,27,876	1,64,27,624
Provisions	10	93,000	35,500
Other non-financial liabilities	11	1,71,942	34,576
Total non-financial liabilities		**5,11,16,764**	**1,67,22,609**
EQUITY			
Equity share capital	12	2,22,39,140	2,22,39,140
Other equity	13	1,09,30,98,293	35,54,56,229
Total equity		**1,11,53,37,433**	**37,76,95,369**
TOTAL		**1,16,65,92,981**	**39,44,61,253**
		-0.05	-0.00

The accompanying notes form an integral part of the financial statements.
This is the Balance Sheet referred to in our report of even date.

For **YAPL & Company**
Chartered Accountants
FRN No.017800N

For and on behalf of the Board of Directors of
Kovalam Investments and Trading Co Limited

Sakshi Garg
Partner
M.No.553997
UDIN : 22553997AIUFOR9898

Navdeep Sharma
Director
DIN: 00454285

Komal Jain
Director
DIN:00399948

Place: Ludhiana
Date: 11.05.2022

Jyoti Sud
Company Secretary cum CFO

Jai Karan Singh
Manager

Statement of Profit and Loss for the year ended Mar 31, 2022

(All amounts in rupees, unless otherwise stated)

Particulars	Notes	For Year ended Mar. 31, 2022	For year ended Mar. 31, 2021
Revenue from operations			
Income			
Interest income	14	25,41,922	6,48,579
Dividend Income	15	30,57,377	9,66,707
Brokerage Income	16	47,87,615	28,37,729
Net gain on fair value changes	17	1,07,01,553	4,00,16,711
Total revenue from operations (I)		2,10,88,468	4,44,69,726
Other income			
Other income	18	1	52,289
Total other income (II)		1	52,289
Total income (I+II)		2,10,88,469	4,45,22,015
Expenses:			
Finance costs	19	-	-
Net loss on fair value changes	20	-	-
Impairment on financial instruments	21	-	-
Employee benefits expenses	22	4,44,433	9,91,903
Other expenses	23	7,55,255	11,05,742
Total expenses		11,99,688	20,97,645
Profit before tax		1,98,88,781	4,24,24,369
Tax expense			
Current tax		23,55,000	6,31,000
Deferred tax charge		(5,57,871)	70,33,200
Previous year income tax		(2,444)	(1,27,223)
Total Tax Expense		17,94,685	75,36,977
Net Profit/(loss) for the year		1,80,94,096	3,48,87,392
Other comprehensive income			
Items that will not be reclassified to profit and loss			
Changes in fair value of FVOCI equity instruments		75,44,06,092	17,09,58,168
Net Income/(loss) on sale of Investments measured at fair value through OCI		-	31,35,124
Income tax relating to items that will not be reclassified to profit or loss		(3,48,58,123)	(4,32,24,186)
Other comprehensive income/(loss) for the year		71,95,47,968	13,08,69,107
Total comprehensive income for the year		73,76,42,064	16,57,56,499
Earnings per equity share	24		
Equity shares of par value Rs.10 each			
Basic		8.14	15.69
Diluted		8.14	15.69

Significant accounting policies

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

This is the Statement of Profit and Loss referred to in our report of even date.

For YAPL & Company
Chartered Accountants
FRN No.017800N

For and on behalf of the Board of Directors of
Kovalam Investment and Trading Co Limited

Sakshi Garg
Partner
M.No.553997
UDIN : 22553997AIUFOR9898

Navdeep Sharma
Director
DIN: 00454285

Komal Jain
Director
DIN:00399948

Place: Ludhiana
Date: 11.05.2022

Jyoti Sud
Company Secretary cum CFO

Jai Karan Singh
Manager

Notes: 2. CASH FLOW STATEMENT FOR THE YEAR ENDED - 31.03.2022 (All amounts in Rs, unless otherwise stated)

A	Particulars	For Year ended Mar. 31, 2022 (Audited)	For Year ended Mar. 31, 2021 (Audited)
	Cash flow from operating activities		
	Profit before tax	1,98,88,781	4,24,24,369
	Adjustments for:		
	Interest income Financials assets measured at amortised cost	(25,41,922)	(6,48,579)
	Dividend income classified as investing cash flows	(30,57,377)	(9,66,707)
	Impairment on financial instruments	-	-
	Provision for Standard Assets	57,500	33,000
	Profit/Loss on Sale of Investments	-	-
	Gain on equity instruments through other comprehensive income	-	-
	Fair value gain on investments	(1,07,01,553)	(4,00,17,886)
	Operating profit before working capital changes	36,45,429	8,24,198
	Movement in working capital		
	Decrease/(increase) in financial assets	(24,33,650)	(3,25,573)
	Increase/(decrease) in financial liablity	2,32,874	(70,822)
	Cash used in operating activities post working capital changes	14,44,653	4,27,803
	Income tax paid (net)	24,53,519	(2,18,691)
	Net cash inflow from/ (used in) operating activities (A)	(10,08,866)	6,46,494
B	Cash flows from investing activities		
	Change in advances	(2,30,00,000)	(1,32,00,000)
	Purcahse/Sale of Investments	1,88,96,834	1,21,07,000
	Interest received	25,41,922	6,48,579
	Dividend received	30,57,377	9,66,707
	Investments of equity instruments in other comprehensive income	-	-
	Net cash inflow from/ (used in) investing activities (B)	14,96,133	5,22,286
	Net increase (decrease) in cash and cash equivalents (A+B)	4,87,267	11,68,780
	Cash and cash equivalents at the beginning of the year	17,05,225	5,36,445
	Cash and cash equivalents at the end of the year	21,92,492	17,05,225

For YAPL & Company
Chartered Accountants
FRN No.017800N

Sakshi Garg
Partner
M.No.553997
UDIN : 22553997AIUFOR9898

Place: Ludhiana
Date: 11.05.2022

For and on behalf of the Board of Directors of
Kovalam Investments and Trading Co Limited

Navdeep Sharma
Director
DIN: 00454285

Jyoti Sud
Company Secretary cum CFO

Komal Jain
Director
DIN:00399948

Jai Karan Singh
Manager

1. Company overview/Corporate information

Kovalam Investment & Trading Company Limited ('the Company') is a public limited company and incorporated under the provisions of Companies Act on 28.11.1981. The Company is a non-deposit accepting Non-Banking Financial Company ('NBFC-ND') and is registered as a Non-deposit taking Non-Banking Financial Company ('NBFC-ND') with the Reserve Bank of India ("RBI") in October 2003. The Company has been categorized as Non-Systematically Important Non Deposit Taking Non-banking Financial Company (NBFCs-ND-NSI) as per Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms Directions, 2007 of Reserve Bank of India. The company is domiciled in India and has its registered office at Ludhiana, Punjab, India. The CIN No of the Company is L65910PB1981PLC023058 and RBI Registration no is 06.00576 Dated. 17.10.2003. The Company has its primary listings on the BSE Limited.

2. Summary of significant accounting policies

The financial statements have been prepared using the significant accounting policies and measurement bases summarized as below. These policies are applied consistently for all the periods presented in the financial statements, except where the Company has applied certain accounting policies and exemptions upon transition to Ind AS.

a) Basis of preparation

(i) Statement of compliance with Indian Accounting Standards (Ind AS)

These standalone financial statements ("the Financial Statements") have been prepared in accordance with the Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs ('MCA') under Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act. The Company has uniformly applied the accounting policies for the periods presented in this financial statements.

The financial statements for the year ended March 31, 2022 are the first financial statements which has been prepared in accordance with Ind AS and other applicable guidelines issued by the Reserve Bank of India ('RBI').

a) The Financial statements of the Company have been prepared on going concern basis and historical cost basis except certain financial assets and liabilities measured at fair value and defined benefit plans assets measured at fair value.

b) The Accounting Policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy niether to in use.

c) The financial statements for the year ended March 31, 2022 were authorized and approved for issue by the Board of Directors on 11 May 2022.

(ii) Historical cost convention

The financial statements have been prepared on going concern basis in accordance with accounting principles generally accepted in India. Further, the financial statements have been prepared on historical cost basis except for certain financial assets and financial liabilities which are measured at fair values as explained in relevant accounting policies.

b) Property, plant and equipment

Recognition and initial measurement

Property, plant and equipment are stated at their cost of acquisition. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

Subsequent measurement (depreciation method, useful lives and residual value)

Property, plant and equipment are subsequently measured at cost less accumulated depreciation and impairment losses. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses. Depreciation on property, plant and equipment is provided on the straight-line basis as per the rates specified in Schedule II of the Companies Act, 2013.

Depreciation is calculated on pro rata basis from the date on which the asset is ready for use or till the date the asset is sold or disposed.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

The Company fully depreciates the assets having individual value of Rs. 5,000 or less in the year of acquisition.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the statement of profit and loss, when the asset is derecognised.

Capital work-in-progress

Capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and advances paid to acquire property, plant and equipment. Assets which are not ready to intended use are also shown under capital work-in-progress.

c) Investment Property

Properties held to earn rentals or / and for capital appreciation or both but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes, are categorized as investment properties. These are measured initially at cost of acquisition, including transaction costs and other direct costs attributable to bringing asset to its working condition for intended use. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost shall also include borrowing cost if the recognition criteria are met. Said assets are depreciated on straight line basis based on expected life span of assets which is in accordance with Schedule II of the Act. However, as per Ind AS 40, there is a requirement to disclose fair value as at the balance sheet date.

d) Intangible assets

Recognition and initial measurement

Intangible assets are stated at their cost of acquisition. The cost comprises purchase price including any import duties and other taxes (other than those subsequently recoverable from taxation authorities), borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.

Subsequent measurement (amortisation method, useful lives and residual value)

Intangible assets are amortised over a period of 3 years from the date when the assets are available for use. The estimated useful life (amortisation period) of the intangible assets is arrived basis the expected pattern of consumption of economic benefits and is reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

e) Revenue recognition

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method. Additional interest/overdue interest/penal charges, if any, are recognised only when it is reasonable certain that the ultimate collection will be made.

Dividend income

Dividend income is recognised at the time when the right to receive is established by the reporting date. Profit/Loss on Sale of investments is considered at the time of sale/redemption.

Brokerage income

Brokerage income is recorded on accrual basis.

Capital Gain/Profit on Sale of Investment

Gain/Loss on sale of Investment is considered at the time of Sale / Redemption.

Other income

All other income is recognized on an accrual basis, when there is no uncertainty in the ultimate realization/collection.

f) Borrowing costs

Borrowing costs that are directly attributable to the acquisition and/or construction of a qualifying asset, till the time such qualifying assets become ready for its intended use sale, are capitalised. Borrowing cots consists of interest and other cost that the Company incurred in connection with the borrowing of funds. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss as incurred basis the effective interest rate method.

g) Taxation

Tax expense recognized in Statement of Profit and Loss comprises the sum of deferred tax and current tax except to the extent it recognized in other comprehensive income or directly in equity.

Current tax comprises the tax payable or receivable on taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. Current tax is computed in accordance with relevant tax regulations. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Minimum alternate tax ('MAT') credit entitlement is recognised as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognised in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets are recognised on unused tax loss, unused tax credits and deductible temporary differences to the extent it is probable that the future taxable profits will be available against which they can be used. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously. Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit or loss (either in other comprehensive income or in equity).

h) Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, if any, that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of

employees services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

Other long term employee benefit obligations:

The liabilities, if any, which needs to be settled after 12 months from the end of the period in which the employees render the related services are measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of reporting period using the projected unit credit method.

i) Impairment of financial assets

Loan assets

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- Stage 1 includes loan assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date.
- Stage 2 includes loan assets that have had a significant increase in credit risk since initial recognition but that do not have objective evidence of impairment.
- Stage 3 includes loan assets that have objective evidence of impairment at the reporting date.

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default, defined as follows:

Probability of Default (PD) - The PD represents the likelihood of a borrower defaulting on its financial obligation (as per "Definition of default and credit-impaired" above), either over the next 12 months (12 months PD), or over the remaining lifetime (Lifetime PD) of the obligation.

Loss Given Default (LGD) – LGD represents the Company's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and preference of claim and availability of collateral or other credit support.

Exposure at Default (EAD) – EAD is based on the amounts the Company expects to be owed at the time of default. For a revolving commitment, the Company includes the current drawn balance plus any further amount that is expected to be drawn up to the current contractual limit by the time of default, should it occur.

Forward-looking economic information (including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Other financial assets

In respect of its other financial assets, the Company assesses if the credit risk on those financial assets has increased significantly since initial recognition. If the credit risk has not increased significantly since initial recognition, the Company measures the loss allowance at an amount equal to 12-month expected credit losses, else at an amount equal to the lifetime expected credit losses.

When making this assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial asset. To make that assessment, the Company compares the risk of a default occurring on the financial asset as at the balance sheet date with the risk of a default occurring on the financial asset as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. The Company assumes that the credit risk on a financial asset has not increased significantly since initial recognition if the financial asset is determined to have low credit risk at the balance sheet date.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has stopped pursuing the recovery. Any subsequent recoveries are credited to impairment on financial instrument on statement of profit and loss..

j) Cash and cash equivalents

Cash and cash equivalents comprise cash in hand (including imprest), demand deposits and short-term highly liquid investments that are readily convertible into known amount of cash and which are subject to an insignificant risk of changes in value.

k) Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and when a reliable estimate of the amount of obligation can be made at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. Provisions are discounted to their present values, where the time value of money is material.

Contingent liability is disclosed for:

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

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is disclosed.

l) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transaction costs. Subsequent measurement of financial assets and financial liabilities is described below.

Non-derivative financial assets

Subsequent measurement

i. **Financial assets carried at amortised cost** – a financial asset is measured at the amortised cost if both the following conditions are met:
   - The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
   - Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

   After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss.

ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are classified as at fair value through profit or loss (FVTPL). For all other equity instruments, the Company makes an irrevocable choice upon initial recognition, on an instrument by instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). Amounts presented in other comprehensive income are not subsequently transferred to profit or loss. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

iii. **Investments in mutual funds/venture capital funds/alternative investment funds (AIF)** – Investments in mutual funds, venture capital funds and AIF are measured at fair value through profit and loss (FVTPL).

iv. **Investments held for trading purposes** – The Company has investments in equity instruments, mutual funds, debentures, bonds etc. which are held for trading purposes and therefore, classified as at fair value through profit or loss (FVTPL).

De-recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a group of similar financial assets) are derecognised (i.e. removed from the Company's balance sheet) when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. Further, if the Company has not retained control, it shall also derecognise the financial asset and recognise separately as assets or liabilities any rights and obligations created or retained in the transfer.

Non-derivative financial liabilities

Subsequent measurement

Subsequent to initial recognition, all non-derivative financial liabilities are measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised 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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and 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.

m) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss (interest and other finance cost associated) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

n) Segment reporting

The Company identifies segment basis the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are regularly by the executive committee ('chief operating decision maker') in deciding how to allocate resources and in assessing performance. The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship with the operating activities of the segment.

o) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the related disclosures. Actual results may differ from these estimates.

Significant management judgements

Recognition of deferred tax assets – The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilized.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Provisions – At each balance sheet date basis the management judgment, changes in facts and legal aspects, the Company assesses the requirement of provisions against the outstanding contingent liabilities. However, the actual future outcome may be different from this judgement.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of assets.

Defined benefit obligation (DBO) – Management's estimate of the DBO is based on a number of underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements – Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Notes forming part of financial statements for the year ended March 31, 2022

(All amounts in rupees unless otherwise stated)

Note No.	Particulars	As at 31-03-2022	As at 31-03-2021
3	**Cash and cash equivalents**		
	Cash in hand	1,745	1,995
	Balance with banks		
	- with scheduled banks in current accounts	21,90,747	17,03,230
	Total	21,92,491	17,05,225
4	**Loans (at amortised cost)**		
	Loans to others	3,72,00,000	1,42,00,000
		3,72,00,000	1,42,00,000
6	**Others financial assets**		
	Others	1,89,192	496
		1,89,192	496
7	**Current tax assets (net)**		
	Advance income tax	(1,23,945)	(2,24,909)
		(1,23,945)	(2,24,909)
8	**Other non financial assets**		
	Income Tax Refund	33,130	5,620
	Income Receivable	33,47,175	11,29,731
		33,80,305	11,35,351
9	**Other Financial liabilities**		
	Employees related payable	35,000	8,000
	Cheque Issued but not yet presented	73,740	-
	Expenses payables	30,044	35,276
		1,38,784	43,276
10	**Provisions**		
	Provision for Standard Asset	93,000	35,500
		93,000	35,500
11	**Other non-financial liabilities**		
	Statutory dues	1,71,942	34,576
		1,71,942	34,576

Notes forming part of financial statements for the Period ending Mar 31, 2022

(All amounts in rupees, unless otherwise stated)

NOTE NO. 5 : INVESTMENTS

Investments	Particulars	Amortized cost	At Fair Value			At Cost	TOTAL
			Through other comprehensive income	Through profit or loss	Sub-total		
As at Mar 31, 2021							
Invesments							
A) in India							
	Mutual Funds	-	-	8,09,40,857.09	-	-	8,09,40,857.09
	Preference shares	-	-	-	-	5,000.00	5,000.00
	Equity Instruments	-	30,09,74,325.05	-	-	-	30,09,74,325.05
	Total (A) - Gross	-	30,09,74,325.05	8,09,40,857.09	-	5,000.00	38,19,20,182.14
	Less: Allowance for impairment loss on investments	-	(45,00,000.00)		-	-	(45,00,000.00)
	Total (A) - Net	-	29,64,74,325.05	8,09,40,857.09	-	5,000.00	37,74,20,182.14
As at Mar 31, 2022							
Invesments							
A) in India							
	Mutual Funds	-	-	5,23,73,665.95	-	-	5,23,73,665.95
	Preference shares	-	-	-	-	5,000.00	5,000.00
	Equity Instruments	-	1,07,57,52,326.63	-	-	-	1,07,57,52,326.63
	Total (A) - Gross	-	1,07,57,52,326.63	5,23,73,665.95	-	5,000.00	1,12,81,30,992.58
	Less: Allowance for impairment loss on investments	-	(45,00,000.00)		-	-	(45,00,000.00)
	Total (A) - Net	-	1,07,12,52,326.63	5,23,73,665.95	-	5,000.00	1,12,36,30,992.58

Notes forming part of financial statements for the year ended March 31, 2022

(All amounts in rupees unless otherwise stated)

Annexure to Investments Note No.5

S. No.	Name of the Body Corporate	Type of investment	No. of Shares / Units 31/12/2021	Quoted/unquoted	Partly Paid / Fully paid	Rate	31-Mar-22	31-Mar-21
	Investment in Equity Instruments							
	A. Details of Trade Investments							
1	Nagdevi Trading and Investment Co.Ltd.	Others	3,467	Unquoted	Fully paid	9,125.22	3,16,37,137.74	2,09,23,830.38
2	Oswal Leasing Ltd.	Others	38,693	Quoted	Fully paid	17.45	6,75,192.85	1,61,232.48
3	Vardhman Investments Limited	Others	11	Unquoted	Fully paid	650.54	7,155.94	7,133.06
4	Atam Vallabh Financiers Ltd.	Other Related Party	11	Unquoted	Fully paid	693.96	7,633.56	7,608.70
	B. Details of Other Investments							
1	Hug Foods Private Limited	Others	4,50,000	Unquoted	Fully paid	10.00	45,00,000.00	45,00,000.00
2	Nahar Industrial Enterprises Ltd.	Others	61,68,408	Quoted	Fully paid	164.75	1,01,62,45,218.00	27,26,43,633.60
3	Oswal Woollen Mills Ltd.	Others	45	Unquoted	Fully paid	587.28	26,427.60	26,427.60
4	Kirloskar Pneumatic Co.Ltd.	Others	1	Quoted	Fully paid	408.10	408.10	256.95
5	OWM Poly Yarn Ltd	Others	20,00,000	Unquoted	Fully paid	10.00	2,00,00,000.00	-
6	Cotton County Retails Ltd	Others	70,902	Unquoted	Fully paid	37.42	26,53,152.84	27,04,202.28
	TOTAL		87,31,538				**1,07,57,52,326.63**	**30,09,74,325.05**
	Investment in Preference shares							
	Raj & Sandeep Private Limited	Others	50	Unquoted	Fully paid	100.00	5,000.00	5,000.00
	TOTAL						**5,000.00**	**5,000.00**
	Less Provision for Dimiunition						(45,00,000.00)	(45,00,000.00)
	Mutual Funds							
1	DSP Flexi Cap Fund-Direct	Others	1,27,365.82	Quoted	Fully paid	69.96	89,10,894.86	85,10,966.19
	AIF							
1	Motilal Oswal Focused Emergence Fund	Others	-	Quoted	Fully paid	-	-	1,92,67,634.74
2	Vantage Equity Fund	Others	-	Quoted	Fully paid	-	-	2,27,86,543.57
3	Motilal Oswal India Excellance Fund	Others	14,56,296.640	Quoted	Fully paid	9.68	1,40,99,718.44	-
4	DSP Black Rock High Conviction Fund	Others	1,83,748.765	Quoted	Fully paid	159.80	2,93,63,052.65	3,03,75,712.59
	TOTAL						**5,23,73,665.95**	**8,09,40,857.09**
	G. TOTAL						**1,12,36,30,992.58**	**37,74,20,182.14**

Notes forming part of financial statements for the year ended March 31, 2022

(All amounts in rupees, unless otherwise stated)

Note No.	Particulars	As at 31 March 2022	As at 31 March 2020
12	**Equity Share capital**		
	Authorised equity share capital		
	3,000,000 (Previous year : 3,000,000) equity shares of ₹ 10 each	3,00,00,000	3,00,00,000
	Total	3,00,00,000	3,00,00,000
	Issued, subscribed and paid up equity share capital		
	2223914 (Previous year : 2223914) equity shares of ₹ 10 each	2,22,39,140	2,22,39,140
	Total	2,22,39,140	2,22,39,140

Note:-

In view of Clause 40A of the listing agreement and in view to increase the public shareholding to the minimum requirement of 25% the Company had issued 517704 Equity shares of Rs.10/- each on 08.08.2013 as Bonus Share to the public shareholders, promoters forgoing their rights.

(i) Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 each . Each equity shareholder is entitled to one vote per share.

(ii) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

Equity shares	31-Mar-22		31-Mar-21	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	22,23,914	2,22,39,140	22,23,914	2,22,39,140
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
At the end of the year	22,23,914	2,22,39,140	22,23,914	2,22,39,140

iii) Shareholders holding more than 5% of shares of the Company as at balance sheet date:

Particulars	31-Mar-22		31-Mar-21	
	Number	Percentage	Number	Percentage
Equity shares of ₹ 10 each fully paid-up held by:				
Nagdevi Trading and Investment Co.Ltd.	8,30,685	37.35	8,30,685	37.35
Sankheshwar Holding co. Ltd	96,400	4.33	1,76,400	7.93
Suvrat Trading co. Ltd	1,60,035	7.20	1,60,035	7.20
Vanaik Investors Ltd	2,03,105	9.13	1,23,360	5.55

iV) Shareholders holding of Promoters

Sr. No.	Name of Promoters	31-Mar-22 Number	31-Mar-22 Percentage	% Change during the year
	Equity shares of ₹ 10 each fully paid-up held by:			
1	Kamal Oswal	79,530	3.58%	0%
2	Abhilash Growth Fund Private Limited	73,850	3.32%	0%
3	Atam Vallabh Financiers Limited	15,000	0.67%	0%
4	J L.Growth Fund Limited	91,130	4.10%	0%
5	Nahar Growth Fund Private Limited	20,000	0.90%	0%
6	Nagdevi Trading and Investment Company Limited	8,30,685	37.35%	0%
7	Oswal Woollen Mills Limited	87,000	3.91%	0%
8	Sankheshwar Holding Company Limited	96,400	4.33%	-3.59%
9	Vanaik Investors Limited	2,03,105	9.13%	3.59%
10	Vardhman Investments Limited	10,000	0.45%	0%
11	Suvrat Trading Co. Limited	1,60,035	7.20%	0%

Statement for Changes in Equity for the year ended Mar 31, 2022

(All amounts in rupees, unless otherwise stated)

Note No.	Particulars	Amount

13 Other Equity

Particulars	General reserve	Security premium	CSR reserve	Reserve fund u/s 45-IC of RBI Act 1934	Retained Earnings	Equity instruments through OCI	Total
Balance as at April 1, 2019	11,81,40,960	-	-	4,82,66,000	7,20,45,923	8,82,10,843	32,66,63,726
Net profit for the year	-	-	-		(1,79,03,365)	-	(1,79,03,365)
Other comprehensive income						(11,90,60,632)	(11,90,60,632)
Transfer from/to retained earnings	-	-	-	16,93,000	(16,93,000)	-	-
Balance as at March 31, 2020	**11,81,40,960**	**-**	**-**	**4,99,59,000**	**5,24,49,559**	**(3,08,49,789)**	**18,96,99,730**
Net profit for the year	-	-	-		3,48,87,392	-	3,48,87,392
Other comprehensive income						13,08,69,107	13,08,69,107
Transfer from/to retained earnings	-	-	-	69,78,000	(69,78,000)	-	-
Balance as at March 31, 2021	**11,81,40,960**	**-**	**-**	**5,69,37,000**	**8,03,58,951**	**10,00,19,317**	**35,54,56,229**
Net profit for the year	-	-	-		1,80,94,096		1,80,94,096
Other comprehensive income						71,95,47,968	71,95,47,968
Transfer from/to retained earnings	-	-	-	36,19,000	(36,19,000)	-	-
Balance as at Mar 31, 2022	**11,81,40,960**	**-**	**-**	**6,05,56,000**	**9,48,34,047**	**81,95,67,286**	**1,09,30,98,293**

13.1 General reserve

The Company has transferred a portion of the net profit of the group before declaring dividend to general reserve pursuant to theearlier provision of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

13.2 Retained earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

13.3 Reserve Fund u/s 45-IC of RBI Act 1934

The Company creates a reserve fund in accordance with the provisions of section 45-IC of the Reserve Bank of India Act, 1934 and transfers therein an amount of euqal to/more than twenty per cent of its net profit of the year, before declaration of dividend. Accordingly, during the year, the Company has created Statutory Reserve Fund amounting to Rs. 69.78 Lakhs (March 31, 2020: Rs.16.93 Lakhs).

13.4 Other comprehensive income

(i) The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

Notes forming part of financial statements for the year ended March 31, 2022

(All amounts in rupees, unless otherwise stated)

Note No.	Particulars	Period ended 31-03-2022	Year ended 31-03-2021
14	**Interest Income**		
	- Interest income from loan Assets	25,41,922	6,48,579
		25,41,922	6,48,579
15	**Dividend Income**		
	Dividend income	30,57,377	9,66,707
		30,57,377	9,66,707
16	**Brokerage Income**		
	Brokerage Income	47,87,615	28,37,729
		47,87,615	28,37,729
17	**Net gain on fair value changes**		
	On financial instruments designated at fair value through profit or loss	1,07,01,553	4,00,16,711
		1,07,01,553	4,00,16,711
18	**Other income**		
	Diminuation in Permanent Nature Written Back	-	-
	Miscellaneous income	1	52,289
		1	52,289
19	**Finance cost**		
	Other interest expense	-	-
		-	-
20	**Net gain on fair value changes**		
	Net gain on financial instruments at fair value through profit or loss		
(i)	On trading portfolio		
	- Investments	-	-
(ii)	On financial instruments designated at fair value through profit or loss	-	-
		-	-
21	**Impairment on financial instruments**		
	Impairment on investments	-	-
		-	-
22	**Employee benefits expenses**		
	Salaries, wages and bonus	4,44,433	9,91,903
		4,44,433	9,91,903
23	**Other expenses**		
	AMC charges of software	1,350	5,934
	Power and fuel	-	5,970
	Rental expense	1,44,000	4,27,500
	Rates and taxes	3,06,000	3,12,302
	Legal and professional charges	1,63,820	1,84,180
	Payment to auditors	20,000	20,000
	Printing & Stationery	3,428	20,597
	Bank charges	2,285	2,877
	Directors Meeting Fees	19,000	16,000
	Provision for Standard Assets	57,500	33,000
	Miscellaneous expenses	37,872	77,382
		7,55,255	11,05,742

Note: 24 Earning per share

Net profit attributable to equity shareholders	**As at 31.03.2022**	**As at 31.03.2021**
Net profit/(Loss) for the year	1,80,94,096	3,48,87,392
Par value per share	10.00	10.00
Weighted average number of equity shares	22,23,914	22,23,914
Earnings per share - Basic and diluted	8.14	15.69

Note: 25 Related party disclosures

In accordance with the requirements of Indian Accounting Standard – 24 the names of the related parties where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

Note: 25.1 List of related parties and disclosures

Description of relationship	**Names of related parties**
NIL	N/A

Key managerial personnel and their relatives:

Name of key managerial personnel	**Designation**	
Smt. Manisha Oswal	Director	
Sh. Komal Jain	Director	
Sh. Navdeep Sharma	Director	
Dr. Suresh Kumar Singla	Director	Appointed w.e.f. 30.03.2022
Sh. Faqir Chand Jandey	Director	Resigned w.e.f. 16.03.2022
Sh. Mohinder Kuamr Jain	Manager	Resigned w.e.f. 01.06.2021
Sh. Jai Karan Singh	Manager	Appointed w.e.f. 13.08.2021
Smt. Jyoti Sud	Company Secretary Cum CFO	

Enterprises over which key management personnel and relatives of such personnel exercise significant influence with whom transactions have been undertaken:
Abhilash Growth Fund Pvt. Ltd.

Note: 25.2 Details of transactions with related parties carried out in the ordinary course of business:

Name of related party	**Nature of transaction**	**As at 31.03.2022**	**As at 31.03.21**
Abhilash Growth Fund Pvt. Ltd.	Sale of Investments	0	7273800

Note: 25.3 Key management personnel remuneration includes the following expenses:

Particulars	**As at 31.03.2022**	**As at 31.03.2021**
Smt. Manisha Oswal	5,000.00	4,000.00
Sh. Komal Jain	5,000.00	4,000.00
Sh. Navdeep Sharma	5,000.00	4,000.00
Dr. Suresh Kumar Singla	-	-
Sh. Faqir Chand Jandey	4,000.00	4,000.00

Note: 25.4 Outstanding balances with related parties in ordinary course of business

Name of related party	**Nature of balance**	**As at 31.03.2022**	**As at 31.03.2021**
Nil	**N/A**	-	-

Note: 26 SEGMENT REPORTING

As per Indian Accounting Standard 108 issued by the Institute of Chartered Accountants of India regarding Segment Reporting, the detail is as under:-

(Amount in Lacs)

SEGMENT REVENUE	**INVESTMENT & FINANCE**		**SERVICES (BROKERAGE)**		**TOTAL**	
	31.03.2022	**31.03.2021**	**31.03.2022**	**31.03.2021**	**31.03.2022**	**31.03.2021**
External	163.02	416.84	47.88	28.38	210.89	445.22
Inter Segment	-	-	-	-	-	-
Total Revenue	163.02	21.91	47.88	32.97	210.89	445.22
RESULTS						
Segment Result(Before tax)	152.00	396.80	46.90	27.44	198.90	424.24
Unallocable Income	-	-	-	-	-	-
Income-tax - Current	-	-	-	-	23.55	6.31
Deferred Tax Asset	-	-	-	-	(5.58)	70.33
Tax for earlier years	-	-	-	-	(0.02)	(1.27)
Total Tax Expenses					17.95	75.37
Profit from Ordinary Business	-	-	-	-	180.95	348.87
OTHER INFORMATION						
Segment Assets	11,655.34	3,939.31	10.59	5.30	11,665.93	3,944.61
Unallocable Assets			-	-	-	-
Segment Liabilites	512.56	167.66	-	-	512.56	167.66
Unallocable Liabilities			-	-	-	-
Deprecation	-	-	-	-	-	-
Non Cash Expenses	-	-	-	-	-	-

Note: 27 Provision for Standard Asset and Diminuation in Investment

a) As per RBI Guidelines a Provision of 0.25% (Previous Year - 0.25%) of Standard Asset has been created

b) Diminuation in Value of Investment of Hug Foods Pvt. Ltd has been provided during the year being permanent in nature.

Note : 28

Disclosure of details as required in terms of paragraph 18 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016 annexed.

Note : 29

Previous year figures have been regrouped/recasted/rearranged/reclassified wherever necessary to make them comparable.

Note : 30 Financial instruments

A) Financial assets and liabilities

The carrying amounts of financial instruments by category are as follows:

Particulars	**Note**	**As at 31-Mar-22**	**As at 31-Mar-21**	
Financial assets measured at fair value				
Investments measured at				
(i)Fair value through other comprehensive income	Note-5	1,07,12,52,326.63	29,64,74,325.05	
(ii)Fair value through profit and loss	Note-5	5,23,73,665.95	8,09,40,857.09	
Financial assets measured at amortised cost				
Investment	Note-5	5,000.00	5,000.00	
Cash and cash equivalents	Note-3	21,92,491.32	17,05,224.72	
Loans	Note-4	3,72,00,000.00	1,42,00,000.00	
Other financial assets	Note-6	1,89,192.02	495.89	
Total		**1,16,32,12,675.92**	**39,33,25,902.75**	
Financial liabilities measured at amortised cost				
Other financial liabilities	Note-9	1,38,784.00	43,276.00	
Total		**1,38,784.00**	**43,276.00**	

B) Fair values hierarchy

Financial assets and financial liabilities are measured at fair value in the financial statements and are grouped into three Levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:

The categories used are as follows:

Level 1: Quoted prices (unadjusted) for identical instruments in an active market;

Level 2: Directly (i.e. as prices) or indirectly (i.e. derived from prices) observable market inputs, other than Level 1 inputs;and

Level 3: Inputs which are not based on observable market data (unobservable inputs).

B.1) Financial assets and liabilities measured at fair value - recurring fair value measurements

As on 31 march 2022	**level 1**	**level 2**	**level 3**	**Total**
Assets **Investments at fair value through other comprehensive income**				
Quoted equity investments	1,01,69,20,818.95	-	-	1,01,69,20,818.95
Un quoted equity investments	-	-	5,43,31,507.68	5,43,31,507.68
Investments at fair value through profit and loss				
Mutual funds	89,10,894.86	-	-	89,10,894.86
Venture capital funds and alternative investment funds	-	-	4,34,62,771.09	4,34,62,771.09
As on 31 march 2021	level 1	level 2	level 3	Total
Assets **Investments at fair value through other comprehensive income**				
Quoted equity investments	27,28,05,123.03	-	-	27,28,05,123.03
Un quoted equity investments	-	-	2,36,69,202.02	2,36,69,202.02
Investments at fair value through profit and loss				-
Mutual funds	85,10,966.19	-	-	85,10,966.19
Venture capital funds and alternative investment funds	-	-	7,24,29,890.90	7,24,29,890.90

Valuation Techniques for fair value disclosures (Level 1 , Level 2 and Level 3)

a) Investment in Quoted Equity Investments - Level 1 - Investment in listed equity instruments are measured at their readily available quoted price in the market.

b) Investment in Unquoted Equity Investments - Level 3 - the Company has used earning capitalisation method (fair value approach) discounted at a rate to reflect the risk involved in the business.

c) Investment in Mutual funds - Level 1 - Investment in mutual funds are measured at their readily available net asset value (NAV) (per unit) in the market.

d) Investment in Venture Capital Funds and Alternative Investment Funds Level 3 - Investment in venture capital funds and alternative investment funds are measured at their fair value as per the Net Asset Value (NAV) Certificate shared by the fund/investee party.

The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets and liabilities measured at fair value:

Particulars	As at 1 april 2020	Purchases	Sales	Net interest/(loss) income and other income/(loss)	other comprehensive income	As at 31 march 2021
Alternative investment funds	3,81,49,396.60	-	-	(13,59,722.45)	3,56,40,216.80	7,24,29,890.90
Investment in Equity instruments	30,37,55,171.51	-	(11,24,707.50)	-	84,05,553.96	29,64,74,325.05
Total investments	5,45,37,752.18	-	(11,24,707.50)	(13,59,722.45)	4,40,45,770.76	9,60,99,092.92

Particulars	As at 1 april 2021	Purchases	Sales	Net interest/(loss) income and other income/(loss)	other comprehensive income	As at 31 march 2022
Alternative investment funds	7,24,29,890.90	1,40,00,000.00	(4,20,54,178.31)	(20,41,653.00)	11,28,711.50	4,34,62,771.09
Investment in Equity instruments	29,64,74,325.05	2,03,71,910.00	-	-	75,44,06,091.58	1,07,12,52,326.63
Total investments	36,89,04,215.95	3,43,71,910.00	(4,20,54,178.31)	(20,41,653.00)	75,55,34,803.08	1,11,47,15,097.72

Sensitivity analysis

Description	As at 31 march 2022	As at 31 march 2021	
Impact on fair value if change in risk adjusted discount rate			
- Impact due to increase of 5%	5,57,35,754.89	1,84,45,210.80	
- Impact due to decrease of 5%	(5,57,35,754.89)	(1,84,45,210.80)	

The following table presents the changes in level 3 items for the periods ended March 31, 2022 and March 31, 2021:

Particulars	Unquoted equity shares / Venture funds
As at April 1, 2020	5,45,37,752.18
Gain/(loss) recognised in other comprehensive income, Income/Loss, Purchase & Sale	4,15,61,340.81
As at March 31, 2021	9,60,99,092.99
Gain/(loss) recognised in other comprehensive income, Income/Loss, Purchase & Sale	74,58,10,881.77
As at March 31, 2022	84,19,09,974.76

B.2) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows, these fair values are calculated using Level 3 inputs:

Particulars	As at 31 march 2022		As at 31 march 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Cash and cash equivalents	21,92,491.32	21,92,491.32	17,05,224.72	17,05,224.72
Loans	3,72,00,000.00	3,72,00,000.00	1,42,00,000.00	1,42,00,000.00
Investments	-	-	-	-
Other financial assets	1,89,192.02	1,89,192.02	495.89	495.89
Total	3,95,81,683.34	3,95,81,683.34	1,59,05,720.61	1,59,05,720.61
Financial liabilities				
Other financial liabilities	1,38,784.00	1,38,784.00	43,276.00	43,276.00
Total	1,38,784.00	1,38,784.00	43,276.00	43,276.00

Valuation methodologies of financial instruments not measured at fair value

Below are the methodologies and assumptions used to determine fair values for the above financial instruments which are not recorded and measured at fair value in the Company's financial statements. These fair values were calculated for disclosure purposes only. The below methodologies and assumptions relate only to the instruments in the above tables:

Financial assets and liabilities

For financial assets and financial liabilities that have a short-term maturity (less than twelve months), the carrying amounts, which are net of impairment, are a reasonable approximation of their fair value. Such instruments include: cash and balances, balances other than cash and cash equivalents, loans, trade payables, short term borrowings, inter company loan and contract liability without a specific maturity.

Note : 31 Financial risk management

A) Risk Management

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. The Company's risk are managed by a treasury department under policies approved by the board of directors. The board of directors provides written principles for overall risk management. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	cash and cash equivalents, other bank balances ,investment in debt securities, loans, trade	ageing analysis	Highly rated bank deposits and diversification of asset base
Liquidity risk	borrowings, tarde payables and other financial liabilites	Cash flow forecasts	Committed borrowing and other credit facilities and sale of loan assets
Market risk - Currency	The company does not have any financial	Not applicable	Not applicable
Market risk - interest rate	The company does not have any variable rate	Not applicable	Not applicable
Market risk - security	Investments in equity securities, venture funds and mutual funds.	sensivity analysis	Diversification of portfolio, with focus on strategic invetments

In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, other bank balances, investments, loan assets, trade receivables and other financial assets. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk management

The Company assesses and manages credit risk based on internal credit rating system. Internal credit rating is performed for each class of financial instruments with different characteristics. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

(i) Low credit risk
(ii) Moderate credit risk
(iii) High credit risk

The company provides for expected credit loss based on the following:

Nature	Assets covered	Basis of expected credit loss
Low credit risk	cash and cash equivalents, other bank balances	12 month expected credit loss
Moderate credit risk	loans	Life time expected credit loss
		or 12 month expected credit loss
High credit risk	loans	Life time expected credit
		loss or fully provided for

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Particulars	As at 31 march 2022	As at 31 march 2021
(i) Low credit risk - Stage 1		
Cash and cash equivalents	21,92,491.32	17,05,224.72
Loans	-	-
Investments	-	-
Other financial assets	1,89,192.02	495.89
(ii) Moderate credit risk - Stage 2		
Loans	3,72,00,000.00	1,42,00,000.00
iii) High credit risk - Stage 3		
Loans	-	-

Cash and cash equivalents and bank deposits

Credit risk related to cash and cash equivalents and bank deposits is managed by only accepting highly rated banks and diversifying bank deposits and accounts in different banks across the country.

Loans

Credit risk related to borrower's are mitigated by considering collateral's/bank guarantees/letter of credit, from borrower's. The Company closely monitors the credit-worthiness of the borrower's through internal systems and project appraisal process to assess the credit risk and define credit limits of borrower, thereby, limiting the credit risk to pre-calculated amounts. These processes include a detailed appraisal methodology, identification of risks and suitable structuring and credit risk mitigation measures. The Company assesses increase in credit risk on an ongoing basis for amounts loan receivables that become past due and default is considered to have occurred when amounts receivable become one year past due.

Other financial assets measured at amortized cost

Other financial assets measured at amortized cost includes loans and advances to employees, security deposits, insurance claim receivables and others. Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously.

B) Credit risk exposure

(i) Expected credit losses for financial assets other than loans

Company provides for expected credit losses on financial assets other than loans by assessing individual financial instruments for expectation of any credit losses:

- For cash and cash equivalents and other bank balances - Since the Company deals with only high-rated banks and financial institutions, credit risk in respect of cash and cash equivalents, other bank balances and bank deposits is evaluated as very low
- For investments - Considering the investments are in equity shares, mutual funds, and government securities, credit risk is considered low
- For loans comprising security deposits paid - Credit risk is considered low because the Company is in possession of the underlying asset.
- For other financial assets - Credit risk is evaluated based on Company's knowledge of the credit worthiness of those parties and loss allowance is measured for 12 month expected credit losses upon initial recognition and provide for lifetime expected credit losses upon significant increase in credit risk. The Company does not have any expected loss based impairment recognised on such assets considering their low credit risk nature, though the reconciliation of expected credit loss for all sub categories of financial assets (other than loans) are disclosed below:

As at 31 March, 2022	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	21,92,491.32	-	21,92,491.32
Investments	-	-	-
Other financial assets	1,89,192.02	-	1,89,192.02

As at 31 March, 2021	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	17,05,224.72	-	17,05,224.72
Investments	-	-	-
Other financial assets	495.89	-	495.89

ii) Expected credit loss for loans

The Company follows a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company i.e. the default in repayment is within the range of 0 to 30 days.
If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired i.e. the default in repayment is within the range of 31 to 90 days.
If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3' i.e. the default in repayment is more than 90 days

The Expected Credit Loss (ECL) is measured at 12-month ECL for Stage 1 loan assets and at lifetime ECL for Stage 2 and Stage 3 loan assets. ECL is the product of the Probability of Default, Exposure at Default and Loss Given Default. Forward-looking economic information(including management overlay) is included in determining the 12-month and lifetime PD, EAD and LGD. The assumptions underlying the expected credit loss are monitored and reviewed on an ongoing basis.

Changes in the gross carrying amount and the corresponding ECL allowances in relation to loans from beginning to end of reporting period:

Particulars	As at 31 march 2022	As at 31 march 2021
Gross loans in respect of borrower's where no specific default has occurred	3,72,00,000.00	1,42,00,000.00
Expected loss rate	0%	0%
Loans due from borrowers where specific default has occurred		
Expected credit loss (loss allowance provision)	-	-
Reconciliation of loss allowance provision from beginning to end of reporting period:		
Reconciliation of loss allowance		
Loss allowance on April 1, 2020		
Loss allowance on assets originated	-	-
Increase of provision due to assets originated or purchased during the year	-	-
Net transfer between stages		
Loss allowance written back		
Write - offs	-	-
Loss allowance on 31 march, 2021		
Loss allowance on assets originated	-	-
Net transfer between stages	-	-
Loss allowance written back		
Write - offs	-	-
Loss allowance on 31 march, 2022	-	-

C) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

The Company maintains felxibility in funding by maintaining availability under committed credit lines. Management monitors the Company's liquidity positions (also comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected cash flows. The Company also takes into account liquidity of the market in which the entity operates.

(i) Maturities of financial liabilities

The tables below analyses the Company financial liabilities into relevant maturity groupings based on their contractual maturities. The amounts disclosed in the table are the contractual undiscounted cash flows:

As at 31 march 2022	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Other financial liabilities	1,89,192.02	-	-	-	-
Total	1,89,192.02	-	-	-	-

As at 31 march 2021	Less than 1 year	1-2 year	2-3 year	More than 3 years	Total
Other financial liabilities	495.89	-	-	-	-
Total	495.89	-	-	-	-

D) Market risk

Price risk

i) Exposure

The Company's exposure price risk arises from investments held and classified in the balance sheet either as fair value through other comprehensive income or at fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

ii) Sensitivity

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the period:

Impact on profit after tax

Particulars		As at 31 march 2022	As at 31 march 2021
Mutual Funds, Equity Instruments and Venture Funds			
Net assets value – increase by 50 basis points (50 bps)		40,47,042.85	21,84,044.71
Net assets value – decrease by 50 basis points (50 bps)		(40,47,042.85)	(21,84,044.71)

Impact on other comprehensive income

Particulars		As at 31 march 2022	As at 31 march 2021
Equity instruments			
Value per share – increase by 50 basis points (50 bps)		1,50,48,716.25	68,11,505.49
Value per share – decrease by 50 basis points (50 bps)		(1,50,48,716.25)	(68,11,505.49)

Note : 32 Capital management

The Company's capital management objectives are
- to ensure the Company's ability to continue as a going concern
- to cmply with externally imposed capital requirement and maintain strong credit ratings
- to provide an adequate return to shareholders

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet. Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive leverage. This takes into account the subordination levels of the Company's various classes of debt. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

Particulars	As at 31 march 2022	As at 31 march 2021
Net debt	-	-
Net worth	1,11,53,37,432.96	37,76,95,368.66
Net debt to equity ratio	-	-

Note : 33 The Computation of net profit under section 198 of the Companies Act, 2013, for the purpose of remuneration payable to Manager, are given below :

Particulars		Current Year		Previous Year
Net Profit Before Taxation		1,98,88,781.31		4,24,24,369.31
Add: Managerial Remuneration		2,30,903.00		8,10,516.00
Net Profit U/S 198 of the Companies Act, 2013		2,01,19,684.31		4,32,34,885.31
Managerial Remuneration @ 11% of the above		22,13,165.27		47,55,837.38
Managerial Remuneration paid to Manager				
Salary Income	2,30,903.00		8,10,516.00	
Other Perquisites	-	2,30,903.00	-	8,10,516.00
		2,30,903.00		8,10,516.00

Note: 34

Particulars	Numerator	Denominator	Current Year	Previous Year	Varriance
• Current Ratio,	Currant Assets	Currant Liabilities	20.59	23.08	(2.49)
• Debt-Equity Ratio,	Long Term Debt	Share Holders Equity	-	-	-
• Debt Service Coverage Ratio,	Earning available of Debt service	Debt Service	-	-	-
• Return on Equity Ratio,	Net profit after tax	Average Share holders equity	0.02	0.12	(0.09)
• Inventory turnover ratio,	Cost of Goods Sold	Average Inventory	-	-	-
• Trade Receivables turnover ratio,	Turnover	Average Trade Receivales	-	-	-
• Trade payables turnover ratio	Cost of Goods Sold	Average Trade Payables	-	-	-
• Net capital turnover ratio,	Operating Revenue	Working Capital	3.85	17.77	(13.92)
• Net profit ratio,	Net profit before tax	Operating Revenue	0.94	0.95	(0.01)
• Return on Capital employed,	EBIT	Capital Employed/Equity	0.02	0.11	(0.09)
• Return on investment.	Income generated on Investments	Average Investments	0.03	0.16	(0.13)

For **YAPL & Company**
Chartered Accountants
FRN No.017800N

For and on behalf of the Board of Directors of
Kovalam Investments and Trading Co Limited

Sakshi Garg
Partner
M.No.553997
UDIN : 22553997AIUFOR9898

Navdeep Sharma
Director
DIN: 00454285

Komal Jain
Director
DIN:00399948

Place: Ludhiana
Date: 11.05.2022

Jyoti Sud
Company Secretary cum CFO

Jai Karan Singh
Manager

ANNEXURE OF NOTE NO. 28

Disclosure of details as required in terms of paragraph 18 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2016

(Amount in Rs.)

Particulars	Current Year		Previous Year	
Liabilities side	Amount outstanding	Amount overdue	Amount outstanding	Amount overdue
1 Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid :				
(a) Debentures : Secured	-	-	-	-
: Unsecured	-	-	-	-
(other than falling within the meaning of public deposits*)				
(b) Deferred Credits	-	-	-	-
(c) Term Loans	-	-	-	-
(d) Inter-corporate loans and borrowing	-	-	-	-
(e) Commercial Paper	-	-	-	-
(f) Public Deposits*	-	-	-	-
(g) Other Loans (specify nature)	-	-	-	-
*Please see Note 1 below				
2 Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):				
(a) In the form of Unsecured debentures	-	-	-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-	-	-
(c) Other Public Deposits	-	-	-	-
*Please see Note 1 below				

Assets side	Amount outstanding	Amount outstanding
3 Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
(a) Secured	-	-
(b) Unsecured	3,72,00,000	1,42,00,000
4 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	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed Assets	-	-
(iii) Other loans counting towards AFC activities		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-

5 Break-up of Investments

Current Investments

1	Quoted			
	(i)	Shares		
		(a) Equity	-	-
		(b) Preference	-	-
	(ii)	Debentures and Bonds	-	-
	(iii)	Units of mutual funds	-	-
	(iv)	Government Securities	-	-
	(v)	Others (please specify)	-	-
2	Unquoted			
	(i)	Shares		
		(a) Equity	-	-
		(b) Preference	-	-
	(ii)	Debentures and Bonds	-	-
	(iii)	Units of mutual funds	-	-
	(iv)	Government Securities	-	-
	(v)	Others (please specify)	-	-

Long Term Investments

1	Quoted			
	(i)	Shares		
		(a) Equity	**1,01,69,20,819**	**27,28,05,123**
		(b) Preference	-	-
	(ii)	Debentures and Bonds	-	-
	(iii)	Units of mutual funds	**5,23,73,666**	**8,09,40,857**
	(iv)	Government Securities	-	-
	(v)	Others (please specify)	-	-
2		Unquoted		
	(i)	Shares		
		(a) Equity	**5,43,31,508**	**2,36,69,202**
		(b) Preference	**5,000**	**5,000**
	(ii)	Debentures and Bonds	-	-
	(iii)	Units of mutual funds	-	-
	(iv)	Government Securities	-	-
	(v)	Others (please specify)	-	-

6 Borrower group-wise classification of assets financed as in (3) and (4) above:

Category	Amount net of provisions					
	Current Year			Previous Year		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1 Related Parties **						
(a) Subsidiaries	-	-	-	-	-	-
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	-	-	-	-	-
2 Other than related parties	-	3,72,00,000	3,72,00,000	-	1,42,00,000	1,42,00,000
Total	**-**	**3,72,00,000**	**3,72,00,000**	**-**	**1,42,00,000**	**1,42,00,000**

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

Category	Current Year		Previous Year	
	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties **				
(a) Subsidiaries	-	-	-	-
(b) Companies in the same group	-	-	-	-
(c) Other related parties	7,609	7,609	7,609	7,609
2 Other than related parties	1,12,36,23,384	1,12,36,23,384	37,74,12,573	37,74,12,573
Total	1,12,36,30,993	1,12,36,30,993	37,74,20,182	37,74,20,182

****As per Indian Accounting Standard of ICAI (Please see Note 3)**

8 Other information

Particulars	Current Year	Previous Year
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-
(iii) Assets acquired in satisfaction of debt	-	-

Notes:

1 As defined in point xix of paragraph 3 of Chapter 2 of these Directions.

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