KANUNGO FINANCIERS LIMITED

CIN:- L67120GJ1982PLC086450

To,
The Department of Corporate Affairs,
Bombay Stock Exchange Limited,
P J Towers, Dalal Street
Mumbai-400 001.

Sub: Submission of Annual Report as per Regulation 34 of SEBI (LODR) Regulations, 2015

Ref.: BSE Script code:- 540515

As per the above mentioned subject, we hereby submit The Annual Report of F.Y 2020-2021 approved and adopted by the Board of Directors at the Board Meeting of the company conducted on 26.08.2021.

Kindly acknowledge the same & take on your records.

Thanking You.

Yours Faithfully

FOR, KANUNGO FINANCIERS LIMITED

DIRECTOR
CHIRAG KIRTIKUMAR SHAH
DIN: 08111288

Encl: Annual Report 20-21

ANNUAL REPORT

KANUNGO FINANCIERS LIMITED

Financial Year 2020 - 2021

REGISTERED OFFICE

B/7, B WING, 5TH FLOOR,
AJANTA COMMERCIAL CENTER,
INCOME TAX, ASRAM ROAD,
AHMEDABAD- 380009

CORPORATE OFFICE:-

B/7, B WING, 5TH FLOOR,
AJANTA COMMERCIAL CENTER,
INCOME TAX, ASRAM ROAD,
AHMEDABAD- 380009

BOARD OF DIRECTORS

1) CHIRAG KIRTIKUMAR SHAH

2) PINA CHIRAG SHAH

3) PANCHAL NRUPESH KIRTIKUMAR

COMPANY SECRETARY

KANAK SURESHKUMAR RATHI

AUDITOR

H S K & CO LLP.

REGISTER AND TRANSFER AGENT (RTA)

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

UNIT NO.9, SHIV SHAKTI IND. ESTATE.
J R BORICHA MARG,
LOWER PAREL EAST,
MUMBAI- 400 011.

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KANUNGO FINANCIERS LIMITED

NOTICE

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING OF KANUNGO FINANCIERS LIMITED WILL BE HELD ON MONDAY, 27TH SEPTEMBER, 2021 AT 01:00 P.M. AT REGISTERED OFFICE OF THE COMPANY TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2021 and Balance sheet as at that date together with Directors Report and Auditors Report thereon.

SPECIAL BUSINESS:

2) TO PASS THIS RESOLUTION AS ORDINARY RESOLITION IF THOUGH FIT:

TO REGULARIZE THE APPOINTMENT OF ADDITIONAL DIRECTOR OF THE COMPANY

"**RESOLVED THAT** Mrs. DIMPLE ALKESHKUMAR SHAH, who was appointed as additional Director of the company by the Board of Directors with effect from 14TH AUGUST, 2021 and who according to section 161 of the companies Act, 2013 hold office up to the date of this Annual General Meeting and in respect of whom the company has received a notice from shareholders in writing proposing her candidature for the office of the Directors be and is hereby appointed as a Director of the company.

RESOLVED FURTHER THAT any one director of the Company be and are hereby authorized to intimate the Registrar of Companies by filling necessary Forms and do all the necessary changes."

3) TO PASS THIS RESOLUTION AS SPECIAL RESOLITION IF THOUGH FIT:

TO ALTER THE OBJECT CLAUSE OF THE COMPANY

"**RESOLVED THAT** pursuant to the provisions of Section 13 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, consent of the shareholders of the Company be and is hereby accorded, subject to the approval of the Registrar of Companies, Gujarat to alter the object clause by addition of following sub clause (4) after sub clause (3) of clause III (A) of the Memorandum of Association of Company:

(4) "To acquire or trade or arbitrage or jobbing or trading in shares, stocks, debenture, debenture stock, bonds, obligation or securities by original subscription, exchange, of securities otherwise and to subscribe for the same either conditionally or otherwise, to guarantee the subscription thereof issued or guaranteed by any government, state, public body, or authority, firm, body corporate or any other entity or persons in India or elsewhere by own money of the shareholders only.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, any Director of the Company be and is hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form as return of appointment with the Registrar of Companies, Gujarat."

4) TO PASS THIS RESOLUTION AS SPECIAL RESOLITION IF THOUGH FIT:

TO PROVIDE LOANS, GIVE GUARANTEES AND MAKE INVESTMENTS

"RESOLVED THAT pursuant to section, 186 and all other applicable provisions if any, of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rule of Companies (Meeting of Board and its Powers) Rules 2014, the consent of members be and is hereby accorded to the Board of Directors of the company to give a loan or an investment or give guarantee to the corporate entities or other than corporate entities to the extent of RS. 20 CRORES (Rupees Twenty Crores only) at such rate of interest as decided by the Board and to be utilized for the purpose of business growth and development of the company. The aggregate amount of loans, guarantee, investments or security to be made together with the loan, investment, guarantee or security proposed to be made exceed the limit as specified under section 186 (2)."

RESOLVED FURTHER THAT, any director of the company be and is hereby authorized to do all acts deeds things that may be necessary proper, desirable, or expedient and to execute all documents, agreements, and writings as may be necessary to give effect to this resolution".

5) TO PASS THIS RESOLUTION AS SPECIAL RESOLITION IF THOUGH FIT:

TO PROVIDE LOANS TO ANY DIRECTOR IN CASE OF EXCESS OF FUNDS:

"RESOLVED THAT pursuant to section 185 and all other applicable provisions if any, of the Companies Act, 2013 (as amended or re-enacted from time to time) read with rule of Companies (Meeting of Board and its Powers) Rules 2014, the consent of members be and is hereby accorded to the Board of Directors of the company to give a loans or advances to any director of the company or entities in which director of the company is interested to the extent of RS. 15 CRORES (Rupees Fifteen Crores only) at such rate of interest as decided by the Board and to be utilized for the purpose of business growth and development of the borrower whether borrower should be director of company or entities in which the director(s) of the company is interested in."

RESOLVED FURTHER THAT, any director of the company be and is hereby authorized to do all acts deeds things that may be necessary proper, desirable, or expedient and to execute all documents, agreements, and writings as may be necessary to give effect to this resolution".

DATE: 26TH AUGUST, 2021 **BY ORDER OF THE BOARD**
PLACE: AHMEDABAD

SD/-
CHAIRMAN

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY NEED NOT BE A MEMBER. Proxy in order to be valid must be received by the company not less than forty-eight hours before the time of holding the Meeting. Proxies submitted on behalf of limited Companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

2. Members/Proxies should bring the Attendance Slip, duly filled in, for attending the meeting.

3. The Register of Members and share transfer books of the Company will remain closed from 20-09-2021 TO 27-09-2021 (both days inclusive)

4. Members desiring any information regarding the accounts are requested to write to the Company at least Seven Days before the meeting so as to enable the management to keep the same ready.

DATE: 26TH AUGUST, 2021 **BY ORDER OF THE BOARD**
PLACE: AHMEDABAD

SD/-
CHAIRMAN

EXPLANATORY STATEMENTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

2) Mrs. DIMPLE ALKESHKUMAR SHAH has vide experience and the company can benefit from her experience thus the board had appointed her as additional director of the company.

And that is why company has seen some potential in her as a good director.

As per section 161 of the companies Act, 2013 the additional director can hold office up to the date of this Annual General Meeting.

Your Directors recommend the Ordinary Resolution as set out in the notice for your approval.

3) Looking to the scenario of the post covid situation the board and management of the company has found good business opportunity in the field of capital markets. The Capital Market have played and extra ordinary role in it. Looking to the recent span and the future plans of the government directors are bullish and wishes to transfer the business by way of diversification with multiple business income which create a sustainable portfolio of the company.

Accordingly, board wishes to diversify in the business of the securities trading, arbitrage, hedging on the stock exchanges.

The proposed change will in no way be detrimental to the interest of any member of Public, Employees or other Associates of the Company in any manner whatsoever

None of the Directors of the company are interested in the said resolution

4) In lite of section 186 of the Companies Act, 2013 and rules made thereunder, the board of directors of the company have approved the transactions and company may provide the loan or make investments or give guarantee to the extent of RS. 20Crores which exceed the limits as specified in the section 186 (2) of the Companies Act, 2013.

The Board recommends the aforesaid Special Resolution for your approval.

None of the Directors of the Company are concerned or interested in the said resolution except in the capacity as member of the Company.

5) In lite of section 185 of the Companies Act, 2013 and rules made thereunder, the board of directors of the company have approved the transactions and company may provide the loan to any director or entities in which director of the company is interested to the extent of RS. 15 Crores in case company has excess of fund.

The Board recommends the aforesaid Special Resolution for your approval.

Except CHIRAG K SHAH, none of the Directors, KMPs of the company and their relatives is/are concerned or interested in the resolution

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

(i) The voting period begins on 24.09.2021 at 09:00 am and ends on 26.09.2021 at 05:00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 17.09.2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020,** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	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 evoting is in progress as per the information provided by company. On clicking the evoting 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. 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 evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

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

(v) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

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

2) Click on "Shareholders" module.

3) Now enter your User ID

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

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

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

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

	For Shareholders holding shares in Demat Form other than individua and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format)

Bank Details **OR** Date of Birth (DOB)	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 (v).

(vi) After entering these details appropriately, click on "SUBMIT" tab.

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

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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

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

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

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

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kanungofinanciers@gmail.com (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.

2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, 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.

Board's Report

To,
The Members of
M/s. KANUNGO FINANCIERS LIMITED

Your Directors have pleasure in presenting the Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31st March, 2021.

FINANCIAL HIGHLIGHTS

(Rs. In Lacs)

Particulars	**Standalone**	
Particulars	**2020-2021**	**2019-2020**
Gross Income	**55.18**	**24.41**
Total Expenses	**69.62**	**16.65**
Net Profit/loss Before Tax	**(14.44)**	**7.76**
Provision for Tax	**15.23**	**2.18**
Net Profit/loss After Tax	**(29.67)**	**5.58**

DIVIDEND

Due to loss, directors are not recommending any dividend in this financial year.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Company does not have any Subsidiary, Joint venture or Associate Company.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCTION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which these financial statements relate on the date of this report.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information.

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2020-21, the Company held **SEVEN** board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and SEBI (Listing Obligation & Disclosure Requirement) Regulation, 2015 were adhered to while considering the time gap between two meetings.

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1.	30/06/2020	3	3
2.	30/07/2020	3	3
3.	15/09/2020	3	3
4.	14/11/2020	3	3
5.	27/11/2020	3	3
6.	13/02/2021	3	3
7.	31/03/2021	3	3

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The directors had prepared the annual accounts on a going concern basis; and

(e) The directors, in the case of a listed company, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

AUDITORS and REPORT thereon

M/s. H S K & CO LLP, CHARTERED ACCOUNTANTS continue as the statutory auditors of the company.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation.

Further the Auditors' Report for the financial year ended, 31st March, 2021 is annexed herewith for your kind perusal and information.

LOANS, GUARANTEES AND INVESTMENTS

The Company has provided the Loans and made Investments but no Guarantee was given under section 186 of the Companies Act, 2013 for the financial year ended 31st March 2021 and complies with the provision of the Section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large and Approval of the Board of Directors & shareholders was obtained wherever required.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) Conservation of energy and Technology absorption

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review.

(B) Foreign exchange earnings and Outgo

There were no foreign exchange earnings and outgo during the year under review.

RISK MANAGEMENT

The Company does not have any Risk Management Policy as the element of risk threatening the Company's existence is very minimal.

DIRECTORS and KMP

During the current financial year there were no changes occurred in the constitution of directors of the company

DEPOSITS

The company has not accepted any deposits during the year.

CORPORATE SOCIAL RESPONSIBILITY

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

RATIO OF REMUNERATION TO EACH DIRECTOR

The Company has paid remuneration to the directors as per below:

Sr. NO.	Name of Director	Amt. paid in the year 2020-2021 (Rs. In lakhs)
1	CHIRAG KIRTIKUAMR SHAH	2.60

ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

INDEPENDENT DIRECTORS AND DECLARATION

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

NOMINATION AND REMUNERATION COMMITTEE

As per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of three Directors. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Ms. Pina Shah	Chairman	Non-Executive Independent Director
Mr. Nrupesh Panchal	Member	Non-Executive Independent Director
Mr. Chirag K Shah	Member	Executive Director

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:

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

    b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

    c. remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-

term performance objectives appropriate to the working of the company and its goals:

4. Regularly review the Human Resource function of the Company.

5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.

6. Make reports to the Board as appropriate.

7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.

8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

REMUNERATION POLICY

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

Remuneration to Non-Executive Directors:

The Non-Executive Directors are paid remuneration by way of Sitting Fees and Commission. The Non-Executive Directors are paid sitting fees for each meeting of the Board and Committee of Directors attended by them.

AUDIT COMMITTEE

According to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of three directors. The board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee:

Name of the Director	Position held in the Committee	Category of the Director
Ms. Pina Shah	Chairman	Non-Executive Independent Director
Mr. Chirag K Shah	Member	Executive Director
Mr. Nrupesh Panchal	Member	Non-Executive Independent Director

SECRETARIAL AUDIT REPORT

There is qualification or adverse remark in the Secretarial Audit Report which require any clarification/ explanation.

1. Company is looking for the Internal Auditor and one more director which is well qualified for the position of director in the company.
2. The company take all approvals as required under section 186 of the Companies Act, 2013

Further the Secretarial Audit Report **as provided by KHUSHBU TRIVEDI, Practicing Company Secretary** for the financial year ended, 31st March, 2021 is annexed herewith for your kind perusal and information.

COST AUDIT

The cost audit is not applicable to the Company.

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and as per SEBI (LODR) Regulation, 2015, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company. The details of the Vigil Committee are annexed herewith for your kind perusal and information.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSEL) ACT, 2013:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (Permanent, contractual, temporary, trainees) are covered under this policy.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Your company has established adequate internal financial control systems to ensure reliable financial reporting and compliance with laws and regulations.

ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

DATE: 26th AUGUST, 2021 **FOR AND ON BEHALF OF BOARD**
PLACE: AHMEDABAD

SD/-	**SD/-**
PINA CHIRAG SHAH	**CHIRAG K SHAH**
DIRECTOR	**WHOLETIME DIRECTOR**
DIN: 08012510	**DIN: 08111288**

KANUNGO

KANUNGO FINANCIERS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Overall Review

The Growth rate is not in upward trend as compared to the previous year with unfavorable market conditions which reflect the negative market.

2. Financial Review

During the year the company has continue its business activities and made loss of Rs. 29.67 Lacs.

3. Risk and Concern

Bullish trend in Equity Markets, Commodities and Real estate will affect volume and profitability of Government Securities business. Changes in rate of Interest will affect Company's Profitability.

4. Internal Control System and their adequacy

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliance of guide lines and policies, adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management.

5. Environmental Issues

As the company is not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

6. Financial Performance with Respect to Operation Performance

The Company has all the plans for tight budgetary control on key operational performance indication with judicious deployment of funds without resorting to any kind borrowing where ever possible.

7. Cautionary Statement

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially, from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward - looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

FormNo.MGT-9

EXTRACTOFANNUALRETURNASONTHEFINANCIALYEARENDEDON 31.03.2021

[Pursuanttosection92 (3) oftheCompaniesAct, 2013 andrule12(1)ofthe Companies(ManagementandAdministration) Rules, 2014]

I.REGISTRATIONANDOTHERDETAILS:

i.	CIN	**L67120GJ1982PLC086450**
ii.	RegistrationDate	**27/08/1982**
iii.	NameoftheCompany	**KANUNGO FINANCIERS LTD**
iv.	Category/Sub-CategoryoftheCompany	**COMPANY LIMITED BY SHARES**
v.	AddressoftheRegisteredofficeandcontactdetails	**B/7, 'B' WING, 5TH FLOOR, AJANTA COMMERCIAL CENTER INCOME TAX, ASHRAM ROAD, AHMEDABAD-380009** **EMAIL:- kanungofinanciers@gmail.com** **CONTACT NO.:- 9831123211**
	Whetherlistedcompany	**YES**
vi.	Name, Address and Contact details of Registrar and TransferAgent,ifany	**PURVA SHAREGISTRY INDIA PVT. LTD.** **UNIT NO. 9, SHIV SHAKTI IND. ESTT. J.R. BORICHA MARG, OPP. KASTURBA HOSPITAL LANE, LOWER PAREL (EAST), MUMBAI- 400 011** **EMAIL:- busicomp@vsnl.com** **CONTACT NO. :- +91- 22-2301 6761**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Allthebusinessactivitiescontributing10%ormoreofthetotal turnover of the company shall be stated:-

Sr.No.	Nameand Description of mainproducts/ services	NIC Code of the Product/ service	% to total turnover of the company
1	**FINANCING AND OTHER RELATED SERVICES**	**649/6499/64990**	**0.00**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	NameAnd AddressOf The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1.	**N.A.**	-	-	-	-

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

A. Category-wiseShareHolding

Categoryof Shareholders	No.ofSharesheldatthe beginningoftheyear				No.ofSharesheldatthe endoftheyear				% Changi during theyear
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	950000	0	950000	20.50	950000	0	950000	20.50	0
b) CentralGovt.	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	**950000**	**0**	**950000**	**20.50**	**950000**	**0**	**950000**	**20.50**	**0**
2) Foreign	0	0	0	0	0	0	0	0	0
g) NRIs-Individuals	0	0	0	0	0	0	0	0	0
h) Other-Individuals	0	0	0	0	0	0	0	0	0
i) Bodies Corp.	0	0	0	0	0	0	0	0	0
j) Banks / FI	0	0	0	0	0	0	0	0	0
k) Any Other....	0	0	0	0	0	0	0	0	0
Sub-total(A)(2):-	**950000**	**0**	**950000**	**20.50**	**950000**	**0**	**950000**	**20.50**	**0**
B. Public Shareholding									
1. *Institutions*	0	0	0	0	0	0	0	0	0
a)Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0

g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total(B)(1)	0	0	0	0	0	0	0	0	0
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas	97500	0	97500	2.10	97500	0	97500	2.10	0.00
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	921200 2039300	240000 0	1161200 2039300	25.06 44.01	921200 2039300	240000 0	1161200 2039300	25.06 44.01	0.00 0.00
c) Others(Specify) HUF Clearing Member	386000 0	0 0	386000 0	8.33 0.00	386000 0	0 0	386000 0	8.33 0.00	0.00 0.00
Sub-total(B)(2)	**3444000**	**240000**	**3684000**	**79.50**	**3444000**	**240000**	**3684000**	**79.50**	**0**
TotalPublic Shareholding (B)=(B)(1)+ (B)(2)	**3444000**	**240000**	**3684000**	**79.50**	**3444000**	**240000**	**3684000**	**79.50**	**0**
C. Shares held by Custodianfor GDRs &ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
GrandTotal (A+B+C)	**4394000**	**240000**	**4634000**	**100**	**4394000**	**240000**	**4634000**	**100**	**0**

B. ShareholdingofPromoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year

1.	PARSHOTTAMBHAI NARANBHAI GEVARIYA	300000	6.47	0	300000	6.47	0	-
2.	NISHANT PARSHOTTAMBHAI GEVARIYA	200000	4.32	0	200000	4.32	0	-
3.	VANITABEN PARSHOTTAMBHAI GEVARIYA	150000	3.24	0	150000	3.24	0	-
4.	VISHAL CHATURBHAI GEVARIYA	100000	2.16	0	100000	2.16	0	-
5.	HANSABEN VINODBHAI GEVARIYA	100000	2.16	0	100000	2.16	0	-
6.	VINODKUMAR BHAYABHAI GEVARIYA	100000	2.16	0	100000	2.16	0	-
	Total	950000	20.50	0	950000	20.50	0	-

C. ChangeinPromoters'Shareholding(pleasespecify,ifthere is no change

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	NO CHANGE				

INDEBTEDNESS

Indebtedness of theCompany including interestoutstanding/accrued butnotdueforpayment

	SecuredLoans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtednessatthe beginningofthefinancial year **i)** Principal Amount **ii)** Interest due but not paid **iii)** Interest accrued but not	-	***56,47,000***		***56,47,000***
Total(i+ii+iii)	-	***56,47,000***		***56,47,000***
Change in Indebtedness during the financial year - Addition - Reduction	-	***137,174,000***		***137,174,000***

Net Change	-	***137,174,000***		***137,174,000***
Indebtedness at the end of the financial year **i)** Principal Amount **ii)** Interest due but notpaid **iii)** Interest accrued but not due	-	***142,821,000***		***142,821,000***
Total (i+ii+iii)	-	***142,821,000***		***142,821,000***

V. REMUNERATIONOFDIRECTORSANDKEYMANAGERIAL PERSONNEL

A. RemunerationtoManagingDirector,Whole-timeDirectorsand/orManager

Sl. No.	ParticularsofRemuneration	Nameof ~~MD~~/WTD/ ~~Manager~~				Total Amount
		CHIRAG KIRTIKUMAR SHAH				
1.	Grosssalary (a) Salaryasperprovisions containedinsection17(1) oftheIncome-taxAct,1961 (b) Valueofperquisitesu/s17(2)Incom e–taxAct,1961 (c) Profitsinlieuofsalaryundersection1 7(3)Income- taxAct,1961	260000	-	-	-	260000
2.	StockOption	-	-	-	-	-
3.	SweatEquity	-	-	-	-	-
4.	Commission - as%ofprofit - others,specify...	-	-	-	-	-
5.	Others,pleasespecify	-	-	-	-	-
6.	Total(A)	260000	-	-	-	260000
	CeilingaspertheAct	-	-	-	-	-

B. *Remuneration to other directors:*

Sl. No.	ParticularsofRemuneration	NameofMD/WTD/Manager				Total Amount
	IndependentDirectors ·Feeforattendingboard committeemeetings ·Commission ·Others,pleasespecify	-	-	-	-	-
	Total(1)	0	0	0	0	0
	OtherNon-ExecutiveDirectors ·Feeforattendingboard committeemeetings ·Commission ·Others,pleasespecify	-	-	-	-	-
	Total(2)	0	0	0	0	0
	Total(B)=(1+2)	0	0	0	0	0
	TotalManagerialRemuneration	-	-	-	-	-
	OverallCeilingaspertheAct	-	-	-	-	-

C. RemunerationtoKeyManagerialPersonnelOtherThan MD/Manager/WTD

Sl. no.	Particularsof Remuneration	KeyManagerialPersonnel			
		CEO	Company Secretary	CFO	Total
1.	Grosssalary (a)Salaryasper provisions containedin section17(1)of theIncome-tax Act,1961 (b)Valueof perquisites/s17(2)Income-tax Act,1961 (c)Profitsinlieuof salaryundersection 17(3)Income-tax Act,1961	-	-	-	-
2.	StockOption	-	-	-	-
3.	SweatEquity	-	-	-	-
4.	Commission - as%of profit -others,specify...	-	-	-	-
5.	Others,please specify	-	-	-	-
6.	Total	-	-	-	-

VI. PENALTIES/PUNISHMENT/COMPOUNDINGOFOFFENCES: N.A.

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/Compounding fees imposed	Authority[RD/NCLT/Court]	Appeal made. If any(give details)
A. Company					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. Directors					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	
Compounding	-	-	-	-	-
C. OtherOfficersInDefault					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

DATE: 26TH AUGUST, 2021
PLACE: AHMEDABAD

FOR AND ON BEHALF OF BOARD

SD/-
PINA SHAH
DIRECTOR
DIN: 08012510

SD/-
CHIRAG K SHAH
WHOLETIME DIRECTOR
DIN: 08111288

Form No. MR-3

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

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31-03-2021

To,
The Members,
M/s. Kanungo Financiers Limited.
Ahmedabad

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kanungo Financiers Limited, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31-03-2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I 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, 2021 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- NOT APPLICABLE

(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

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 2014 (Not Applicable to the Company during the Audit Period);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit 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 ;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not Applicable to the Company during the Audit Period);-

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following prima facie observations:

- Company should appoint internal auditor and a KMP under the Companies Act, 2013
- Compliance under section 186 of the Companies Act, 2013 is required.

I further report that

The Board of Directors of the company should be duly constituted. The company needs to appoint required numbers of Executive & Non-Executive Directors to comply with the provision of the Companies Act, 2013. 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 provision of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I 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.

I further report that due to COVID-19 pandemic situation, the company could not comply with some of the regulations of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and hence Exchange has levied the penalty for the same and the said penalty was paid by the company with request to waive because it was due to natural calamity.

Place: Ahmedabad
Date: 19.08.2021

SD/-
Khushbu Trivedi
FCS NO.: 9151
COP NO: 9115
UDIN: F009151C000806068

KANUNGO

ANNEXURE - A

To,
The Members
M/s. Kanungo Financiers Limited

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit as presented by management to us.

2. We have followed the audit practices and process 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 process 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 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 the 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.

Place: Ahmedabad
Date: 19.08.2021

SD/-
Khushbu Trivedi
FCS NO.: 9151
COP NO: 9115

INDEPENDENT AUDITOR'S REPORT

To the Members of **Kanungo Financiers Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Kanungo Financiers Limited** (the 'Company') which comprise the Balance Sheet as at March 31, 2021, and the statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31,2021, and its loss, total comprehensive income, the changes in equity and its cash flows for the year then ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note 30 of the financial statements, which describes that the potential impact of COVID-19 pandemic on the operations and financial statements of the company is dependent on future developments, which are uncertain.

Our opinion is not modified in respect of the above matter.

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.

Information other than Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the Other Information. The Other Information comprises the information included in the Board's Report including Annexures to Board's Report and Management Discussion and Analysis(but does not include the financial statements, and our auditor's reports thereon).

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and 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 judgment and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively or ensuring 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 also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting polices used and the reasonableness of accounting estimates and related disclosures made by the management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

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

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief are necessary for the purpose of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

(c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income and the Cash Flow Statement, Statement of changes in Equity dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid Financial statements comply with the Indian Accounting Standards 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31stMarch,2021 from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the adequacy of internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to or separate report in **"Annexure B"**.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(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) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us :

i. The Company does not have any pending litigation which would have any impact on the financial position of its financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

Sd/-
CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 21115947AAAAEC7130

Place: Ahmedabad
Date: 30/06/2021

KANUNGO

"ANNEXURE A"

To the Independent Auditors' Report of even date on the financial statements of Kanungo Financiers Limited

Referred to in paragraph I under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended March 31, 2021:

1. The Company does not have any Fixed Assets, therefore this paragraph of the order is not applicable to the company and hence not commented upon.

2. According to information and explanation given to us, the company is service providing company, primarily rendering services, accordingly it does not hold any physical inventory, and therefore this paragraph of the order is not applicable to the company and hence not commented upon.

3. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4. In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013 in respect Investment made and loans given. The company has not given guarantee or provided security as provided in section 185 and 186 of the Companies Act, 2013.

5. According to information and explanation given to us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.

6. According to information and explanation given to us, the Central Government has not prescribed the maintenance of Cost Records under section 148(1) of the Companies Act,

7. According to information and explanations given to us in respect of statutory dues and on the basis of our examination of the books of account, and records,

(a) The Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, GST, Duty of Customs, and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2021 for a period of more than six months from the date on when they become payable.

b) According to the information and explanations given to us, there are no material dues of income tax, GST and duty of customs which have not been deposited with appropriate authorities on account of any dispute.

8. According to the information and explanations given by the management, the company has not defaulted in repayment of dues to Financial Institutions or banks or debenture holders.

9. According to the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and the term loans during the year.

10. According to the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11. According to the information and explanations given by the management, the managerial remuneration has been paid or provided in due compliance of section 197 read with Schedule V to the Companies Act;

12. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company.

13. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

14. According to the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.

15. According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company and hence not commented upon.

16. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order are not applicable to the Company and hence not commented upon.

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

Sd/-
CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 21115947AAAAEC7130

Place: Ahmedabad
Date: 30/06/2021

KANUNGO

"ANNEXURE B"

To the Independent Auditor's Report of even date on the Financial Statement of Kanungo Financiers Limited

Report on the Internal Financial Controls 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 **Kanungo Financiers Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose 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 authorizations of management and directors of the company, and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

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

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

Sd/-
CA Sudhir S. Shah
Partner
M. No. 115947
UDIN: 21115947AAAAEC7130

Place: Ahmedabad
Date: 30/06/2021

KANUNGO

KANUNGO FINANCIERS LTD

BALANCE SHEET AS AT 31ST MARCH, 2021

(Rs. in Lakhs)

	Particulars	Notes	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
I	ASSETS			
1)	**Non-current assets**			
	(a) Property, Plant and Equipment		-	-
	(b) Capital work-in-progress		-	-
	(c) Intangible assets		-	-
	(d) Financial Assets		-	-
	(i) Investments		-	-
	(ii) Loans		-	-
	(iii) Other Financial Assets		-	-
	(e) Deferred tax assets (Net)	3	9.30	
	(f) Other non-current assets			-
	Total Non -Current Assets		**9.30**	**-**
2)	**Current assets**			
	(a) Inventories		-	-
	(b) Financial Assets		-	-
	(i) Investments	4	293.65	-
	(ii) Trade receivables		-	-
	(iii) Cash and cash equivalents	5	209.72	15.45
	(iv) Bank balances other than (ii) above		-	-
	(v) Loans	6	784.85	487.97
	(vi) Others	7	647.34	-
	(c) Current Tax Assets (Net)		-	-
	(d) Other current assets	8	1.18	3.80
	Total Current Assets		**1,936.74**	**507.22**
	TOTAL ASSETS		**1,946.04**	**507.22**
II	**EQUITY AND LIABILITIES**			
1)	**Equity**			
	(a) Equity Share capital	9	463.40	463.40
	(b) Other Equity	10	35.54	(16.66)
	Total Equity		**498.94**	**446.74**
2)	**LIABILITIES**			
	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	1,428.21	56.47
	(ii) Trade payables		-	-
	(iii) Other financial liabilities		-	-
	(b) Provisions		-	-
	(c) Deferred tax liabilities (Net)		-	-
	(d) Other Non Current Liabilities		-	-
	Total Non -Current Liabilities		**1,428.21**	**56.47**
	Current liabilities			
	(a) Financial Liabilities			
	(i) Borrowings		-	-
	(ii) Trade payables			
	Total outstanding dues of micro and small enterprises		-	-
	Total outstanding dues of Creditors other than micro and small enterprises	12	2.86	1.53
	(iii) Other financial liabilities		-	-
	(b) Other current liabilities	13	4.36	0.30
	(c) Provisions		-	-
	(d) Current Tax Liabilities (Net)	14	11.67	2.18
	Total Current Liabilities		**18.89**	**4.01**
	TOTAL EQUITY AND LIABILITIES		**1,946.04**	**507.22**
	Significant Accounting Policies and Notes on Financial Statements	1 to 35	(0.00)	-

As per our report of even date attached herewith

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

SD/-
CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad
Date : 30/06/2021

For and on behalf of the Board

sd/-	**sd/-**
CHIRAG K. SHAH	**PINA CHIRAG SHAH**
DIN: 08111288	**DIN: 08012510**
Wholetime Director	**Director**

SD/-
Company Secretary

Place : Ahmedabad
Date : 30/06/2021

KANUNGO FINANCIERS LTD
Statement of Profit and loss for the period ended 31/03/2021

	Particulars	Notes	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
I	**INCOME**			
	Revenue from operations		-	-
	Other income	15	55.18	24.41
	Total Income		**55.18**	**24.41**
II	**EXPENSES**			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods, Stock-in - Trade and work-in-progress		-	-
	Employee benefits expense	16	3.60	6.65
	Finance costs	17	52.75	0.01
	Depreciation and amortization expense		-	-
	Other expenses	18	13.27	9.99
	Total Expenses		**69.62**	**16.65**
III	**Profit\(Loss) before exceptional items and tax**		**(14.44)**	**7.76**
IV	**Exceptional Items**		-	-
V	**Profit\(Loss) before tax**		**(14.44)**	**7.76**
VI	**Tax Expenses**			
	Current Tax		15.00	2.18
	Deferred Tax Provision / (Reversal)		-	-
	Short / (Excess) provision of IT of earlier years		0.23	-
VII	**Profit\(Loss) for the year**		**(29.67)**	**5.58**
VIII	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss		72.57	-
	Income tax relating to items that will not be reclassified to profit or loss		9.30	-
	Items that will be reclassified to profit or loss		-	-
	Income tax relating to items that will be reclassified to profit or loss		-	-
IX	**Total Comprehensive Income for the year**		**52.20**	**5.58**
X	**Earning per Equity Shares of Rs. 5 each**	19		
	Basic		**(0.64)**	**0.12**
	Diluted		**(0.64)**	**0.12**
	Significant Accounting Policies and Notes on Financial Statements	1 to 35		

As per our report of even date attached herewith

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

SD/-
CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad
Date : 30/06/2021

For and on behalf of the Board

sd/-	**sd/-**
CHIRAG K. SHAH	**PINA CHIRAG SHAH**
DIN: 08111288	**DIN: 08012510**
Wholetime Director	**Director**

SD/-
Company Secretary

Place : Ahmedabad
Date : 30/06/2021

KANUNGO FINANCIERS LTD
CASH FLOW STATEMENT FOR YEAR ENDED March 31, 2021

(Rs. in Lakhs)

Particulars	Year ended March 31, 2021		Year ended March 31, 2020	
A. Cash Flow from Operating Activities				
Profit\(Loss) Before Tax		**(14.44)**		**7.76**
Adjustments for :				
Finance Cost	52.75		0.01	
Interest Received	(4.44)		(24.41)	
Dividend Income	(1.48)		-	
		46.83		(24.40)
Operating Profit Before Working Capital Changes		32.39		(16.64)
Working Capital Changes				
Adjustments for				
(Increase)/Decrease Inventories , Trade & Other receivables, Other Financial Assets ,Other Current Assets	(833.03)		72.99	
Increase/ (Decrease) Trade & Other Financial Liability and Current Liability & Provisions	14.88		1.07	
		(818.15)		74.06
Net Cash Flow from Operating Activities		**(785.76)**		**57.42**
B. Cash Flow from Investing Activities				
Sales\(Purchase) of Current Investments	(344.88)		-	
Dividend Income	1.48		24.41	
Interest Income	4.44			
Net Cash Flow (used in) Investing Activities		**(338.96)**		**24.41**
C. Cash Flow from Financing Activities				
(Repayment) \Proceeds of long term borrowings	1,371.74		(85.00)	
Interest Paid	(52.75)		(0.01)	
Net Cash Flow from / (used in) Financing Activities		1,318.99		(85.01)
Net increase / (decrease) in cash and cash equivalents		194.27		(3.18)
Cash and cash equivalent at the beginning of the year		15.45		18.63
Cash and cash equivalent at the end of the year		**209.72**		**15.45**

Notes to Cash Flow Statement:

1. Previous year figures have been regrouped wherever necessary, to confirm to this year's classification.
2. The above Cash Flow Statement has been prepared under the

As per our Report of even date attached.

As per our Report of even date attached.
For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

SD/-
CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad
Date : 30/06/2021

For and on behalf of the Board

SD/-
CHIRAG K SHAH
WHOLE-TIME DIRECTOR
DIN: 08111288

SD/-
PINA SHAH
DIRECTOR
DIN: 08012510

SD/-
COMPANY SECRETARY

Place : Ahmedabad
Date : 30/06/2021

KANUNGO FINANCIERS LTD

Statement of Changes in Equity for the year ended on March 31, 2021

Equity Share Capital

Particulars	Note No.	Amount Rs.
Balance as on 31st March, 2019	9	463.40
Changes during the year		-
Balance as on 31st March, 2020	9	463.40
Changes during the year		-
Balance as on 31st March, 2021	9	463.40

Other Equity **(Rs. in lakhs)**

Particulars	Note No.	Reserves and Surplus	Other Components of Equity	Total
		Retained Earnings	Equity Instruments through Other Comprehensive Income	
Balance as at 31st March, 2019		**(22.24)**	**-**	(22.24)
Profit for the year		5.58	-	5.58
Other comprehensive income for the year (Net of Tax)		-	-	-
Balance as at 31st March, 2020		**(16.66)**	**-**	**(16.66)**
Loss for the year		(29.67)	-	(29.67)
Other comprehensive income for the year (Net of Tax)		-	81.87	81.87
Balance as at 31st March, 2021		**(46.33)**	**81.87**	**35.54**

In terms of our report attached.

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

For and on behalf of the Board

SD/-
CHIRAG K SHAH
WHOLE-TIME DIRECTOR
DIN: 08111288

SD/-
PINA SHAH
DIRECTOR
DIN: 08012510

SD/-
Sudhir S. Shah
Partner
M. No.115947

SD/-
COMPANY SECRETARY

Place : Ahmedabad
Date : 30/06/2021

Place : Ahmedabad
Date : 30/06/2021

3. Deferred Tax Assets (Net)

(Rs. In lakhs)

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Deferred Tax Liabilities		
Opening Balance	-	-
Other comprehensive income from investments	-	-
	-	-
Deferred Tax Assets		
Opening Balance	-	
Other comprehensive income from investments	9.30	
	9.30	-
Total	**9.30**	**-**

4. Current Investment

(Rs. In lakhs)

Particulars	Number of Shares Year Ended March 31, 2021 Rs.	Number of Shares Year Ended March 31, 2020 Rs.	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Investments in Equity Instruments at fair value through other comprehensive income ,Quoted, Fully Paid up				
Accelya Solutions India ltd, having face value Rs. 10 each fully paid up.	1,500.00	-	12.80	-
Amibca Cotton Mills Limited, having face value Rs. 10 each fully paid up.	1,500.00	-	13.37	-
EIH Associated Hotel Limited, having face value Rs. 10 each fully paid up.	8,205.00	-	19.97	-
Gillette India Limited, having face value Rs. 10 each fully paid up.	218.00	-	12.85	-
Himadri Speciality Chemical Limited, having face value Rs. 10 each fully paid up.	50,000.00	-	20.85	-
Honda India Power Products Limited , having face value Rs. 10 each fully paid up.	1,500.00	-	14.37	-
JM Financial, having face value Rs. 10 each fully paid up.	25,000.00		21.13	-
Mahindra EPC Irrigation Limited, having face value Rs. 10 each fully paid up.	30,000.00	-	42.93	-
Mishra Dhatu Nigam Limited, having face value Rs. 10 each fully paid up.	10,000.00	-	17.67	-
RITES Ltd, having face value Rs. 10 each fully paid up.	10,000.00	-	24.07	-
Sun TV Network Limited, having face value Rs. 10 each fully paid up.	7,500.00	-	35.26	-
Suntek Reality Limited, having face value Rs. 10 each fully paid up.	10,000.00	-	27.89	-
Ujjivan Small Finance Bank Limited, having face value Rs. 10 each fully paid up.	10,000.00	-	30.50	-
Total			**293.65**	**-**
Agreegate Amount of Quoted Investment - At Cost			**330.61**	**-**
Agreegate Amount of Quoted Investment - At Market Value			**293.65**	**-**

5. Cash and cash equivalents (Rs. In lakhs)

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Balances with banks in current account	207.18	12.12
Cash on hand	2.54	3.33
Total	**209.72**	**15.45**

6. Loans (Rs. In lakhs)

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Unsecured and considered good		
Loans	784.85	487.97
Total	**784.85**	**487.97**

7. Other Financial Assets (Rs. In lakhs)

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Unsecured and considered good		
Others	647.34	-
Total	**647.34**	**-**

8. Other Current Assets (Rs. In lakhs)

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Unsecured and considered good		
Advance other than Capital Advance	1.18	-
Balances with Statutory Authorities	-	3.80
Total	**1.18**	**3.80**

9. Share Capital

Authorised Share Capital

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Equity Share Capital Equity shares of Face Value Rs. 10 each	524.00	524.00
Total	524.00	524.00

Issued & Subscribed Share Capital (Rs. In lakhs)

Particulars	Year Ended March 31, 2021 Rs.		Year Ended March 31, 2020 Rs.	
	No.	Amount	No.	Amount
Equity Share Capital Equity shares of Face Value Rs. 10 each	4,634,000.00	463.40	4,634,000.00	463.40
Total	4,634,000.00	463.40	4,634,000.00	463.40

Particular	Balance as at 31/03/2021 (Number of Shares)	Balance as at 31/03/2020 (Number of Shares)	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Equity shares				
At Beginning of the period	4,634,000.00	4,634,000.00	463.40	463.40
Add : Issued during the year	-	-	-	-
Less : Bought back during the year	-	-	-	-
At End of the period	4,634,000.00	4,634,000.00	463.40	463.40

9.1 Details of shareholders holding more than 5% shares in the company

	As at March 31, 2021		As at March 31, 2020	
Name of the Equity shareholder	No.	% holding in the class	No.	% holding in the class
Pashottambhai Gevariya	300,000.00	6.47%	300,000.00	6.47%
Ankit Patel	250,000.00	5.39%	250,000.00	5.39%
Manishkumar Jivanni	300,000.00	6.47%	300,000.00	6.47%

9.2 Rights, Preferences and Restrictions attached to equity shares
The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend, if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, if any, in proportion to their shareholding.

9.3 The Company has not reserved any share for issue under options and contracts or commitments for the sale of shares or disinvestment.

9.4 Aggregate number and class of shares allotted as fully paid up pursuant to contracts without payment being

9.5 Aggregate number and class of shares allotted as fully paid by way of Bonus Shares :- Nil

9.6 Aggregate number and class of shares bought back :- Nil

9.7 Securities which are convertible into Equity Shares :- Nil

9.8 Aggregate Value of Calls unpaid by directors and officers :- Nil

10. Other Equity

(Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Surplus in Statement of Profit & Loss :		
Balance as per last financial Statement	(16.66)	(22.24)
Add:Profit\(Loss) after tax for the Year	(29.67)	5.58
Net Surplus in the statement of profit and loss	**(46.33)**	**(16.66)**
Other Comprehensive Income		
Balance as per last financial Statement	-	-
Add: Gain \(Loss) on Investments - Fare Value through OCI	72.57	-
Less: Income Tax that will not be reclassified to Profit and Loss	9.30	-
Net Surplus in the statement of other comprehensive income	**81.87**	**-**
Total	**35.54**	**(16.66)**

11. Non-Current Borrowings (Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured		
From Directors	309.96	-
Inter Corporate Loans	1,118.25	56.47
Total	**1,428.21**	**56.47**

12. Trade Payables (Current) (Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of Micro and Small Enterprises	-	-
Total outstanding dues of Creditors other than Micro and Small Enterprises	2.86	1.53
Total	**2.86**	**1.53**

This information is disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 which has been determined to the extent such parties have been identified on the basis of the information available with the company.
Refer Note No :-26

13. Other Current liabilities (Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Dues	4.36	0.30
Total	**4.36**	**0.30**

14. Current Tax Liabilities (Net) (Rs. In lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Income Tax Provision (Net)	11.67	2.18
Total	**11.67**	**2.18**

KANUNGO

15. Other income

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Interest Income	4.44	24.41
Dividend Income	1.48	-
Speculative Income from Futures & Options	49.26	-
Total	**55.18**	**24.41**

16. Employee benefit expense

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Salaries and wages	-	3.20
Director Remuneration	3.60	3.45
Total	**3.60**	**6.65**

17. Finance costs

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Interest Expense	52.74	-
Bank Charges and Commission	0.01	0.01
Total	**52.75**	**0.01**

18. Other expenses

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Power and fuel	-	0.04
Rent, Rates and taxes (excluding taxes on income)	1.38	1.38
Loss on Futures & Options Trading	4.22	-
Other Expenses	1.16	0.74
Audit fee	1.18	0.99
Legal & Professional Charges	5.33	6.84
Total	**13.27**	**9.99**

19. Earning Per Equity Share

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Net Profit\(Loss) after tax attributable to Shareholders before Exceptional Items	(29.67)	5.58
Net Profit after tax attributable to Shareholders after Exceptional Item	(29.67)	5.58
Weighted average number of Equity Shares at the end of year.	4,634,000.00	4,634,000.00
Nominal Value of Share	10.00	10.00
Basic and diluted (before Exceptional Item) Earning per Share Rs.	(0.64)	0.12
Basic and diluted (after Exceptional Item) Earning per Share Rs.	(0.64)	0.12

20. Income tax reconciliation

Particulars	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Profit Before tax	**(14.44)**	**7.76**
Income tax expenses calculated at effective tax rate (25.168% current year and 25.168 % previous year)	-	1.95
Effect of expenses not allowed for tax purpose	-	0.23
Effect of Income not considered for tax purpose & Other deductible expenses	-	-
Effect of Related to Deferred Tax Balances	-	-
Effect of Other Items Tax at Special Rate and Others	15.23	-
Total Income Tax Expenses recognised in the statement of profit and loss	**15.23**	**2.18**

Notes to financial statement for the year ended March 31, 2021

(Rs. in lakhs)

21 Capital Commitment

Details of outstanding capital commitments are as under:

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for Capital goods / Capital work in progress	-	-
Advance paid against such contracts	-	-
Remaining outstanding commitment	-	-

22 Contingent Liabilities (Rs. in lakhs)

Details of contingent liabilities are as under:

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
	Nil	Nil

23 Segment Reporting

The Company operates in a single segment and in line with Ind AS - 108 - "Operating Segments", which is considered to be the only reportable business segment.

Notes to financial statement for the year ended March 31, 2021

24 Fair Value Measurements

Financial instrument by category and their fair value **(Rs. in lakhs)**

As at 31st March, 2021	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Current Investment	-	293.65	-	293.65	293.65	-	-	293.65
Cash and Cash Equivalents	-	-	209.72	209.72	-	-	209.72	209.72
Loans - Current	-	-	784.85	784.85	-	-	784.85	784.85
Other Financial Assets	-	-	647.34	647.34	-	-	647.34	647.34
Total Financial Assets	**-**	**293.65**	**1,641.91**	**1,935.56**	**293.65**	**-**	**1,641.91**	**1,935.56**
Financial Liabilities								
Non - Current Borrowings	-	-	1,428.21	1,428.21	-	-	1,428.21	1,428.21
Trade Payables	-	-	2.86	2.86	-	-	2.86	2.86
Total Financial Liabilties	**-**	**-**	**1,431.07**	**1,431.07**	**-**	**-**	**1,431.07**	**1,431.07**

As at 31st March, 2020	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial Assets								
Cash and Cash Equivalents	-	-	15.45	15.45	-	-	15.45	15.45
Loans - Current			487.97	487.97			487.97	487.97
Total Financial Assets	**-**	**-**	**503.42**	**503.42**	**-**	**-**	**503.42**	**503.42**
Financial Liabilities								
Non - Current Borrowings	-	-	56.47	56.47	-	-	56.47	56.47
Trade Payables	-	-	1.53	1.53	-	-	1.53	1.53
Total Financial Liabilties	**-**	**-**	**58.00**	**58.00**	**-**	**-**	**58.00**	**58.00**

The above fair value hierarchy explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost for which fair values are disclosed in the financial statements. To provide the indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments in to three levels prescribed is as under:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilties

Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liabilty, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3 - Inputs for the assets or liabilties that are not based on observable market data (unobservable inputs)

Notes to financial statement for the year ended March 31, 2021

25 Financial risk management

The Company's activities expose it to a variety of financial risks, including credit risk, market risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with the same.

The Company's risk management is governed by policies and approved by the board of directors. The Company identifies, evaluates and hedges financial risks in close co-operation with the Company's operating units. The Company has policies for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of non-derivative financial instruments.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

I Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits, and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The history of trade receivables shows a negligible provision for bad and doubtful debts. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of expected losses in respect of trade and other receivables and investments. The company has adopted simplified approach of ECL model for impairment.

i) Trade Receivables:

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company with various activities as mentioned above manages credit risk. An impairment analysis is performed at each reporting date on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The calculation is based on historical data. The Company does not hold collateral as security.

ii) Financial assets that are neither past due nor impaired

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's assessment of credit risk about particular financial institution. None of the Company's cash equivalents, including term deposits (i.e., certificates of deposit) with banks, were past due or impaired as at each balance sheet date.

Cash and cash equivalents

The company holds cash and cash equivalents of Rs. 209.72 lakh at March 31, 2021 (March 31, 2020: Rs. 15.45 lakh) The cash and cash equivalents are held with bank and cash on hand.

II Liquid Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The level of liquidity risk is very low considering the fact that the company relies on operating cash flows and owned equity. Currently the company has borrowed funds from bank mainly for day to day business needs (i.e. Cash Credit Facilities are being availed by the company).

Further the Company manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring the forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due.

III Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates, foreign currency exchange rates and commodity prices) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and commodity risk.

a) Interest Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to the interest income and interest expenses and to manage the interest rate risk, treasury performs
a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in it total portfolio.
With all other variables held constant, the following table demonstrates the impact of the borrowing cost on floating rate portion of loans and borrowings and excluding loans on which interest rate swaps are taken.Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates related primarily to the Company's Long -term borrowings with floating interest rates. Company's treasury department monitors the interest rate movement and manages the interest rate risk based on its policies.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

i) Exposure to interest rate risk

Particulars	**As at March 31, 2021 Rs.**	**As at March 31, 2020 Rs.**
Non Current Borrowings	1,428.21	56.47
Current Borrowings	-	-
Total	**1,428.21**	**56.47**

For details of the Company's Non Current borrowings,refer to Note 11 of these financial statement.

ii) Interest Rate Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates. The below sensitivity does not include the impact of interest rate swap contracts which largely mitigate the risk.

Particulars	**As at March 31, 2021 Rs.**	**As at March 31, 2020 Rs.**
50bp increase would decrease the profit before tax by	(7.14)	(0.28)
50bp decrease would increase the profit before tax by	7.14	0.28

b) Exposure to Market

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either at fair value through OCI and at amortised cost. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

i) Shares Price Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5 % or decreased by 5 % with all other variables held constant, and that all the Company's equity instruments moved in line with the index.

(Rs. in lakhs)

Impact on Other Comprehensive Income - OCI	**Movement in Rate %.**	**As at March 31, 2021 Rs.**	**As at March 31, 2020 Rs.**
Equity Shares (Quoted)	5%	14.68	-
Equity Shares (Quoted)	-5%	(14.68)	-

Above referred sensitivity pertains to quoted equity investment.Profit for the year would increase/ (decrease) as a result of gains/ losses on equity securities as at fair value through other comprehensive income before net of tax.

26 Due to Micro, Small and Medium Enterprise

Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED), certain disclosers are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with management, outstanding dues to the Micro and Small enterprise as defined in the MSMED Act, 2006 are disclosed as below:

(Rs. in lakhs)

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Principal amount remaining unpaid to any supplier as at the end of accounting year	-	-
Interest due and remaining unpaid to any supplier as at the end of accounting year	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the reporting period of delay in making payment [which have been paid but beyond the appointed day during the year] but without adding the interest specified under the MSMED Act, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of accounting year	-	-
Amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23 of MSMED Act, 2006	-	-
Total	**-**	**-**

27 Capital Management:

The Company's capital management is intended to maximise the return to shareholders and benefits for other stakeholders for meeting the long-term and short-term goals of the Company; and reduce the cost of capital through the optimization of the capital structure i.e. the debt and equity balance.

The Company monitors the capital structure on the basis of maturity profile of the overall debt portfolio of the Company.

The gearing ratio at the end of the reporting period was as follows:

Particulars	As at March 31, 2021 Rs.	As at March 31, 2020 Rs.
Debt	1,428.21	56.47
Cash and bank balances	(209.72)	(15.45)
Net debt	1,218.49	41.02
Equity	498.94	446.74
Gearing ratio	244%	9%

NOTES FORMING PART OF FINANCIAL STATEMENTS

(Rs. in Lakhs)

28	Payment to Auditors	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
	Audit fees	1.18	0.90
	Taxation matters	-	-
	Out of pocket expenses	-	-
	Others	0.12	0.10
	Total	**1.30**	**1.00**

29 Related Party Disclosures and Their Relatives

Related Party Disclosures as required by Accounting Standard Ind AS 24 issued by Institute of Chartered Accountants of India are given below:

1 Related Parties and Nature of Relationship

a) The Enterprises in which Key Managerial Personnel (KMP) and their relatives have significant influence:

Nil

b) Key Management Personnel:

Chirag Kiritkumar Shah	Whole Time Director & CFO
Panchal Nurpesh Kiritkumari	Director
Pina Chirag Shah	Director
Kanak Sureshkumar Rathi	Company Secretary

(ii) Transactions during the period and balances outstanding with related parties are as under:

Transactions with related parties during the year:

Name of related party	Nature of Transaction	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Chirag Kiritkumar Shah	Remuenration	2.40	2.40
Kanak Sureshkumar Rathi	Remuenration	1.20	1.05
Chirag Kiritkumar Shah	Borrowings Taken	344.96	-
Chirag Kiritkumar Shah	Borrowings Repaid	35.00	-

(iii) Balances outstanding at each reporting date

Name of related party	Nature of Transaction	Year Ended March 31, 2021 Rs.	Year Ended March 31, 2020 Rs.
Chirag Kiritkumar Shah	Remuenration	(0.20)	(0.20)
Kanak Sureshkumar Rathi	Remuenration	0.90	-
Chirag Kiritkumar Shah	Borrowings Taken	309.96	-

Note: Figures in bracket denotes credit balance.

30 Impact of COVID 19 Pandemic:

The Company has considered the possible effects that may result from Covid19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of Covid19, the Company has, at the date of approval of the financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of Covid19 on Company's financial statements may differ from that estimated as at the date of approval of the same.

31 Recent Indian Accounting Standards (Ind AS)

As at the date of issue of financial statements, there are no new standards or amendments which have been notified by the MCA but which have not yet been adopted by the Company. Hence, the disclosure is not applicable.

32 Subsequent Events:

Subsequent to Balance Sheet Date, there are no events occurred which require disclosure or adjustments in the financial statements.

33 The Code on Social Security, 2020 (the "Codes") relating to employee compensation and post-employment benefits that received Presidential assent have not been notified. Further, the related rules for quantifying the financial impact have not been notified. The Company will assess the impact of the Codes when the rules are notified and will record any related impact in the periods the Codes becomes effective.

34 Approval of the Financial Statements:

The Financial Statements were approved for issue by the board of directors on June 30, 2021.

35 Previous year's figures have been regrouped/re-arranged/recasted, wherever necessary, so as to make them comparable with current year's figures.

As per our report of even date attached.

For, H S K & CO LLP
Chartered Accountants
FRN: 117014W/W100685

SD/-
CA. Sudhir Shah
Partner
Membership No. 115947

Place : Ahmedabad
Date : 30/06/2021

For and on behalf of Board of Directors

sd/-	sd/-
CHIRAG K. SHAH	**PINA CHIRAG SHAH**
DIN: 08111288	**DIN: 08012510**
Wholetime Directo	**Director**

SD/-
Company Secretary

Place : Ahmedabad
Date : 30/06/2021

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - *(Standalone and Consolidated separately)*

KANUNGO FINANCIERS LIMITED

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2021

[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(Amount in Rupees Lakhs)

	SL No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I.	1.	Turnover / Total income	55.18	55.18
	2.	Total Expenditure	69.62	69.62
	3.	Net Profit/(Loss)	(29.67)	(29.67)
	4.	Earnings Per Share	(0.64)	(0.64)
	5.	Total Assets	1946.04	1946.04
	6.	Total Liabilities	1447.10	1447.10
	7.	Net Worth	498.94	498.94
	8.	Any other financial item(s) (as felt appropriate by the management)		

II.	**Audit Qualification (each audit qualification separately):** **a. Details of Audit Qualification: N.A.** **b. Type of Audit Qualification:** N.A. **c. Frequency of qualification:** N.A. **d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: N.A.** **e. For Audit Qualification(s) where the impact is not quantified by the auditor: N.A.** **(i) Management's estimation on the impact of audit qualification:** **(ii) If management is unable to estimate the impact, reasons for the same:** **(iii) Auditors' Comments on (i) or (ii) above**
III.	**Signatories:** **For, KANUNGO FINANCIERS LIMITED** S/d **CHIRAG SHAH** **DIRECTOR** **DIN: 08111288** S/d **NRUPESH PANCHAL** **DIRECTOR** **DIN:08184985** S/d **SUDHIR S. SHAH** **H S K & CO. LLP** **CHARTERED ACCOUNTANTS** **Place: AHMEDABAD** **Date: 30-06-2021**

ATTENDANCE SLIP

I/We.....R/o…….....
hereby record my/our presence at the Annual General Meeting of the Company on Monday, 27th September, 2021 at 01.00 P.M at B/7, 'B' WING, 5TH FLOOR, AJANTA COMMERCIAL CENTER INCOME TAX, ASHRAM ROAD, AHMEDABAD 380009

DPID * :	Folio No. :
Client Id * :	No. of Shares :

* Applicable for investors holding shares in electronic form.

Signature of shareholder(s)/proxy

Note:

1. Please fill this attendance slip and hand it over at the entrance of the hall.

2. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.

3. Electronic copy of the Annual Report for 2021 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form is being sent to all the members whose email address is registered with the Company/ Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.

4. Physical copy of the Annual Report for 2021 and Notice of the Annual General Meeting along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email is not registered or have requested for a hard copy.

Proxy form

[*Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (*Management and Administration*) Rules, 2014]*

CIN**: L67120GJ1982PLC086450**

Name of the Company: **KANUNGO FINANCIERS LTD**

Registered office: **B/7, 'B' WING, 5TH FLOOR, AJANTA COMMERCIAL CENTER INCOME TAX, ASHRAM ROAD, AHMEDABAD 380009**

NAME OF THE MEMBER(S):
REGISTERED ADDRESS:
E-MAIL ID:
FOLIO NO/ CLIENT ID:

I/ We being the member of ……., holding…..shares, hereby appoint

1. Name: ……..
   Address:
   E-mail Id:
   Signature: ……., or failing him

2. Name: ……..
   Address:
   E-mail Id:
   Signature: ……..,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at Annual General Meeting of members of the Company, to be held on 27th September, 2021 at 1:00

P.M. at the registered office of the Company, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2021 and Balance sheet as at that date together with Directors Report and Auditors Report thereon
2) TO REGULARIZE THE APPOINTMENT OF Mrs. DIMPLE ALKESHKUMAR SHAH ADDITIONAL DIRECTOR OF THE COMPANY
3) TO ALTER THE OBJECT CLAUSE OF THE COMPANY
4) TO PROVIDE LOANS, GIVE GUARANTEES AND MAKE INVESTMENTS
5) TO PROVIDE LOANS TO ANY DIRECTOR IN CASE OF EXCESS OF FUNDS

Affix Revenue Stamp

Signed this ….. day of…… 2021

Signature of Shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, before the commencement of the Meeting.