



KHOOBSURAT LTD.

7A, Bentinck Street, 3rd Floor,
Kolkata, West Bengal - 700 001.
Telefax : +91 33 4061 7068
Email : khoobsurat.kolkata@gmail.com

October 11, 2018

The Deputy Manager
Department of Corporate Services
BSE Limited
P. J. Towers, Dalal Street, Fort
Mumbai – 400 001

The Company Secretary
The Calcutta Stock Exchange
Association Ltd.
7, Lyons Range
Kolkata-700 001

Manager – Listing
Metropolitan Stock Exchange of
India Ltd.
Vibgyor Towers, 4th Floor
Plot No. C 62, G - Block
Bandra Kurla Complex
Bandra (E), Mumbai – 400 098

Ref : Scrip Code BSE – 535730, CSE-21144, MCX-SX - KHOOBSURAT

Sub: Submission of Annual Report for FY 2017-2018

Respected Sir or Madam,

With reference to the above captioned matter and pursuant to clause 34(1) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 we are enclosing along with this letter, soft copy of Annual Report 2018 containing Notice & Annual Accounts for the financial year ended on 31st March 2018 which was being approved by Members in the Annual General Meeting held on 27th September 2018.

Kindly acknowledge the receipt of the same & oblige.

Thanking You,

Yours Faithfully,
For KHOOBSURAT LIMITED

GOUTAM BOSE
DIN : 02504803
MANAGING DIRECTOR

Enclosed : a/a

KHOOBSURAT LIMITED

**36TH ANNUAL REPORT
2017-2018**

Khoobsurat Limited

BOARD OF DIRECTORS

Goutam Bose	Managing Director
Alok Kr. Das	Non-Executive Director
Mangelal Joshi	Independent Director
Raj Kumar Chhakra	Independent Director
Puspa Devi Saraswat	Independent Director

REGISTERED OFFICE

7-A, Bentinck Street, 3rd Floor
Kolkata-700 001

CORPORATE IDENTIFICATION NO.

L23209WB1982PLC034793

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Sneha Gupta

BANKERS

ICICI Bank Ltd.
Yes Bank Ltd.
Punjab National Bank
Indian Overseas Bank

AUDITORS

K. Ray & Co.
Chartered Accountants, Kolkata

REGISTRAR & SHARE TRANSFER AGENT

ABS Consultants Pvt. Ltd.
99, Stephen House, 6th Floor
4, B.B.D. Bag (East)
Kolkata-700 001

ANNUAL GENERAL MEETING

Date : 27th September, 2018
Time : 9.00 A.M.
Venue : Shyamal Smriti Parishad,
30, Dr. Nagen Ghosh Road,
Kolkata-700 031

36th ANNUAL REPORT 2017 - 2018

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Members are requested to bring their copy of Annual Report at the time of Meeting

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the members of Khoobsurat Limited will be held on Thursday, the 27th day of September, 2018 at 9.00 A.M. at Shyamal Smtiti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-700 031 to transact the following businesses as :

ORDINARY BUSINESS :

1. To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2018 along with the reports of the Board of Directors and the Auditors thereon.

SPECIAL BUSINESS :

2. Appointment of Statutory Auditors to fill casual vacancy

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

"RESOLVED THAT pursuant to the provisions of Section 139 read with the Companies (Audit and Auditor) Rules, 2014, 142 and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), and based on the recommendations of the Audit Committee, to fill up the casual vacancy caused due to the retirement of existing Auditors M/s. K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) after the conclusion of forthcoming annual general meeting, due to their pre-occupation, M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN - 018627N), who have offered themselves for appointment as Auditors to the Company and have confirmed their eligibility in terms of the provisions of Section 141 of the Companies Act, 2013 and Rule 4 of Companies (Audit and Auditors) Rules, 2014, be and are hereby appointed as Statutory Auditors of the Company and to hold office after the conclusion of the 36th Annual General Meeting up to the conclusion of the 41st consecutive Annual General Meeting (subject to ratification by the members at every subsequent AGM) at a remuneration plus out of pocket expenses at actuals, as may be decided by the Board of Directors of the Company."

3. Appointment of Mr. Alok Kr. Das as Non-Executive, Independent Director

To consider and if thought fit to pass with or without modifications the following resolution as an ordinary resolution :

"RESOLVED THAT Mr. Alok Kr. Das (DIN- 00243572) who has been appointed as an Additional Director of the Company by the Board of Directors with effect from 28th August, 2017 and holds office up to the date of this meeting under Section 161 of the Companies Act, 2013 and in respect of whom, the Company has received a Notice in writing from a Member pursuant to Section 160 of the Companies Act, 2013 proposing his candidature for the office of Non-Executive Director be and is hereby appointed as Non-Executive Director of the Company and, liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to the provisions of Section 152 and other applicable provisions, if any of the Companies Act, 2013, and the Rules made thereunder, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Alok Kr. Das (DIN-00243572) be and is hereby appointed as an Non-Executive Director of the Company, to hold office as such for a period of five consecutive years with effect from 28th August, 2017."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things and execute all such agreements, documents,

instruments and writings as may be required, with power to settle all questions, difficulties or doubts that may arise with regard to the said matter as it may in its sole and absolute discretion deem fit and to delegate all or any of its powers herein conferred to any Committee of Directors and / or Director(s) and / or Officer(s) of the Company, to give effect to this resolution.

Registered Office :
7-A, Bentinck Street, 3rd Floor
Kolkata-700 001
Kolkata, May 30, 2018

By order of the Board
For **Khoobsurat Limited**
Sd/- **Goutam Bose**
(DIN : 02504803)
Managing Director

NOTES :

1. The Statement pursuant to Section 102 of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy, in order to be effective, must be received at the Company's Registered Office not less than forty-eight hours before the Meeting.

Pursuant to Section 105 of Companies Act, 2013, a person can act as a proxy on behalf of the members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total Share capital of those carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any person or shareholder.
3. Corporate Member intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send a certified copy of the relevant Board Resolution together with specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the Meeting.
4. Members, Proxies and Authorised Representatives are requested to bring to the Meeting; the Attendance Slip enclosed herewith, duly completed and signed mentioning therein details of their DP ID and Client ID/ Folio No. Duplicate Attendance Slip or copies of the Report and Accounts will not be made available at the Annual General Meeting ("AGM") venue.
5. A brief resume of each of the Directors proposed to be re-appointed at this AGM, nature of their expertise in specific functional areas, names of companies in which they hold directorship and membership / chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other requisite information as per Clause 1.2.5 of Secretarial Standards-2 on General Meetings, are provided in Annexure I.
6. The Register of Member and the Share Transfer Books of the Company will remain closed from 21st September 2018 to 27th September 2018 (both days inclusive).
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
8. Relevant documents referred to in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days

(except Saturdays, Sundays and Public Holidays) between 11.00 A.M. to 1.00 P.M. up to the date of this Annual General Meeting.

9. Shareholders/Investors are advised to send their queries/complaints through the dedicated e-mail ID khoobsurat.kolkata@gmail.com for quick and prompt redressal of their grievances.
10. The Shares of the Company are mandated by the Securities & Exchange Board of India (SEBI) for trading in dematerialized form by all investors.
11. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the competent authorities to the Annual General Meeting.
12. Members desirous of getting any information about the accounts of the Company, are requested to send their queries so as to reach at-least ten days before the meeting at the Registered Office of the Company, so that the information required can be made readily available at the meeting.
13. Members holding shares in the same set of names under different folios are requested to apply for consolidation of such folio along with relevant Share Certificates to M/s ABS Consultants Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
14. Members are requested to intimate change in their address immediately to ABS Consultants Pvt. Ltd., the Company's Registrar and Share Transfer Agents, at their office at 99, Stephen House, 6th Floor, 4, B.B.D. Bag (East), Kolkata-700 001.
15. Members holding shares in physical form in the same set of names under different folios are requested to apply for consolidation of such folios along with relevant Share Certificates to M/s ABS Consultants Pvt. Ltd., Registrar and Share Transfer Agents of the Company, at their address given above.
16. The Securities and Exchange Board of India (SEBI) vide Circular ref. No. MRD/DOP/CIR-05/2007 dated April 27, 2007 made PAN mandatory for all securities market transactions and off market/private transaction involving transfer of shares in physical form of listed Companies, it shall be mandatory for the transferee (s) to furnish copy of PAN Card to the Company/RTAs for the registration of such transfer of shares. SEBI further clarified that it shall be mandatory to furnish a copy of PAN in the following cases:
 - a) Deletion of name of the deceased shareholder (s), where the shares are held in the name of two / more shareholders.
 - b) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder of shares.
 - c) Transposition of shares — when there is a change in the order of names in which physical shares are held jointly in the name of two or more shareholders.
17. Members holding shares in physical form and desirous of making a nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 read with Rule 19 of Companies (Share Capital and Debentures) Rules, 2014, may fill SH-13 and send the same to the office of RTA of the Company. In case of shares held in dematerialized form, the nomination/change in nomination should be lodged with their DPs.
18. The Company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participants to enable us to send you the quarterly reports and other communication via email.
19. Copies of Annual Report 2018 are being sent by electronic mode only to those members whose email address are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the Annual Report. The Members

who have not registered their email address, physical copies of Annual Report 2018 are being sent by the permitted mode.

20. The Notice for the 36th AGM and instructions for e-voting, along with Attendance Slip and Proxy Form, is being sent by electronic mode to all members whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same. Members are requested to bring copies of Annual Report to the Annual General Meeting. For members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode.
21. Members may also note that the Notice of the 36th AGM and the Annual Report for 2017- 2018 will also be available on the Company's website www.khoobsuratltd.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during all working days (except Saturday, Sunday and public holidays) between 11.00 AM to 1.00 PM up to the date of this AGM. Even after registering for e-communication, members are entitled to receive such in physical form, upon making a request for the same by post or email. For any communication, the Shareholders may also send requests to the Company's email ID : khoobsurat.kolkata@gmail.com
22. A route map showing directions to reach the venue of the 36th Annual General Meeting is given at the end of the Report.
23. Members can opt for one mode of voting i.e. either by physical ballot or through e-voting. If Members opt for e-voting then do not vote by Physical Ballot or vice-a-versa. However, in case Members cast their vote both by Physical Ballot and e-voting, then voting done through e-voting shall prevail and voting done by Physical Ballot will be treated as invalid.
24. In terms of the provisions of Section 107 of the Companies Act, 2013, since the resolutions as set out in this Notice are being conducted through e-voting or physical Ballot, the said resolutions will not be decided on a show of hands at the AGM. The voting right of all shareholders shall be in proportion to their share in the paid up equity share capital of the Company as on the cut-off date i.e. September 21, 2018.
25. In order to enable its members, who do not have access to e-voting facility, to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, a Proxy cum Ballot Form is attached. Members desiring to exercise vote by Ballot are requested to carefully read the instructions printed in the form, to complete the Ballot Form with assent (for) or dissent (against) and send it to Mr. Sumit Verma, Scrutinizer, C/o ABS Consultants Private Limited, Unit: Khoobsurat Limited, 99, Stephen House, 6th Floor, 4, B.B.D. Bag (East), Kolkata-700 001, Tel. No: +91 33-2230 1043, Fax No: +91 33- 2243 0153, E-mail : absconsultant@vsnl.net so as to reach him on or before September 24, 2018 by 5.00 p.m. Any Ballot Form received after the said date shall be treated as invalid.
26. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, the Company is pleased to provide to the members facility of "remote e-voting" (e-voting from place other than venue of the AGM) to exercise their votes at the 36th AGM by electronic means and the business may be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).
27. The facility of voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the 36th AGM. The Members attending the AGM, who have not casted their vote through remote e-voting, shall be able to exercise their voting rights at the AGM. The Members who have already casted their vote through remote e-voting may attend the AGM but shall not be entitled to cast their vote again at the AGM.

28. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.khoobsuratltd.com within two days of the passing of the Resolutions at the Annual General Meeting of the Company and will also be communicated to BSE Limited and Calcutta Stock Exchange Association Ltd., where the shares of the Company are listed.
29. Members/Proxies should bring the attendance slip duly filed in and signed for attending the meeting.
30. The details for voting electronically are as under -
 - a) Date and time of commencement of voting through electronic means: Monday, September 24, 2018 at 9.00 a. m.
 - b) Date and time of end of voting through electronic means beyond which voting will not be allowed : Wednesday, September 26, 2018 at 5.00 p. m.
 - c) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 21, 2018, may cast their vote electronically irrespective of mode of receipt of notice by the shareholder. The e-voting module shall be disabled by CDSL for voting thereafter.
 - d) Details of Website: www.evotingindia.com
 - e) Details of Scrutinizer: CA Sumit Kumar Verma, Practicing Chartered Accountant (Membership No. 302320), 86, Sharat Chatterjee Road, Kolkata-700 089. E-mail: sumitvermaca@yahoo.in
 - f) Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change/ modify the vote subsequently.
31. The instructions for Members for e-voting are as under:

Applicable in all cases whether NOTICE is received by e-mail or in physical form:

 - i Log on to the e-voting website www.evotingindia.com during the voting period
 - ii Click on "Shareholders" tab
 - iii Now, select the Voting Sequence No. as mentioned in the Attendance Slip along with "KHOBSURAT LIMITED" from the drop down menu and click on "SUBMIT".
 - iv Now Enter your User ID (as mentioned in the Attendance Slip)
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - v Next enter the Image Verification as displayed and Click on Login.
 - vi If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - vii If you are a first time user, please use the e-Voting particular provided in the Attendance Slip and fill up the same in the appropriate boxes.
 - viii After entering these details appropriately, click on "SUBMIT" tab.
 - ix Members holding shares in physical form will then directly reach to the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password

field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- x For Members holding shares in physical form, the details in Attendance Slip can be used only for e-voting on the resolutions contained in this Notice.
- xi Click on the EVSN for KHOOBSURAT LIMITED on which you choose to vote.
- xii On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi You can also take out the print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix For Institutional Shareholders and Custodians :
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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.
- xx In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Explanatory Statement pursuant to Section 102 of the Companies Act 2013

ITEM NO. 2

Appointment of Statutory Auditors to fill casual vacancy

Existing Auditors M/s. K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) have expressed their willingness to retire after the conclusion of 36th Annual General Meeting scheduled to be held before 30th September 2018, due to their pre-occupation, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on 30th May, 2018, as per the recommendation of the Audit Committee, and pursuant to the provisions of Section 139(8) of the Companies Act, 2013, have appointed M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N), to hold office as the Statutory Auditors of the Company till the conclusion of 41st AGM and to fill the casual vacancy caused by the resignation of M/s. K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) subject to the approval by the members at the 36th Annual General Meeting of the Company, at such remuneration, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company.

The Company has received consent letter and eligibility certificate from M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN – 018627N), to act as Statutory Auditors of the Company in place of M/s. K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out in Item No. 2 of the Notice for appointment and payment of remuneration to the Statutory Auditors. None of the Directors, Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board recommends an Ordinary Resolution set out in the Item No. 2 of Notice for approval by the Members.

ITEM NO. 3

Appointment of Mr. Alok Kr. Das (DIN-00243572) as Non-Executive Director of the Company

In accordance with the provisions of Section 152 of the Companies Act, 2013, appointment of Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors have proposed that Mr. Alok Kr. Das (DIN-00243572) be appointed as Non-Executive Director on the Board, whose office is liable to retire by rotation.

The appointment of Mr. Alok Kr. Das (DIN-00243572) shall be effective upon approval by the members in the Meeting. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Alok Kr. Das for the office of Director of the Company. Mr. Alok Kr. Das is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

The brief resume / Information as required by the Listing Regulation, 2015 and SS-2 has been given elsewhere in this Notice.

In the opinion of the Board, Mr. Alok Kr. Das fulfills the conditions specified in the Act and the Rules made thereunder for such appointment.

The matter regarding appointment of Mr. Alok Kr. Das as Non-Executive Director was placed before the Nomination & Remuneration Committee, which has recommended his appointment as Non-Executive Director.

Mr. Alok Kr. Das holds 6.00 lakh shares of the Company or 0.45% of paid-up capital as on date.

The aforesaid Director is not disqualified from being appointed as a director in terms of Section 164 of the Act. Also, has given his consent and various declarations.

The Board accordingly, recommends the resolution at Item No. 3 of this Notice for approval of the Members.

None of the Directors, except Mr. Alok Kr. Das or Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise, in the Resolution

Annexure-I

Name of Director	Mr. Alok Kumar Das
Directors' Identification No. (DIN)	0243572
Age	53 Years
Date of Appointment on Board	28th August 2017
Qualification	B. Com., FCA
Experience	He is a Chartered Accountant by profession and is having vast and thorough knowledge of more than 31 years in the field of Corporate Finance, Taxation and Company Laws.
Terms & Conditions of Appointment / Reappointment	5 Years commencing from 28th August 2017
Remuneration details	Up to ₹ 10,000/- per meeting plus reimbursement of out of pocket expenses at actuals.
Shareholding in Company	Nil
Relationship with the Company	Not Any
No. of Board Meeting attended during the year	6 (Six)
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	Not Any
Memberships / Chairmanships of Audit and Stakeholders' relationship Committees across Public Companies	Not Any

Registered Office :
7-A, Bentinck Street, 3rd Floor
Kolkata-700 001
Kolkata, May 30, 2018

By order of the Board
For **Khoobsurat Limited**
Sd/- **Goutam Bose**
(DIN : 02504803)
Managing Director

DIRECTORS' REPORT

To

The Members,

Your Directors have pleasure in presenting the 36th Annual Report of your Company together with the Audited Statements of Accounts for the financial year ended March 31, 2018.

(₹ in Lakh)

Financial Results	Year Ended 31.03.2018	Year Ended 31.03.2017
Sales / Revenue for the Year	42.50	284.32
Profit before Tax & Extraordinary Items	2.72	(0.11)
Less : Provision for Taxation (including Deferred Tax)	0.61	(0.36)
Less : Extra-Ordinary Items	0.02	—
Profit after Tax & Extra-Ordinary Items	2.13	0.25
Add : Profit brought forward from Previous Year	150.34	148.13
Profit available for appropriation	152.47	148.38
Transfer to Special Reserves	—	—
Balance carried forward to Next Year	152.47	148.38

OVERVIEW OF ECONOMY

The economy appears well positioned for FY 2018, which started in April, after the highest GDP growth in seven quarters was recorded in the January—March period. In June, business activity in the private sector increased for the fourth consecutive month, and at the fastest pace since October 2016. The manufacturing and service sectors both benefited from a substantial increase in output thanks to broad-based demand. Moreover, in May, industrial production expanded at a healthy pace. On 4 July, the government approved an increase in the minimum support prices paid to farmers growing summer-sown crops this year. The increase should provide farmers with a profit of 50% over the cost of crop production. This should come as welcome news to farmers, after rainfall was below-average in June, the first month of the important June-September monsoon season.

A normalization in cash conditions following the demonetization of late 2016 and the fading of disruptions from last year's launch of the Goods and Services Tax should facilitate the economic recovery in FY 2018. Nonetheless, risks of fiscal slippage in the run-up to elections next year, concerns over India's banking sector, increasing global trade tensions and higher oil prices all cloud prospects. Our panel expects GDP growth of 7.3% in FY 2018, which is unchanged from last month's estimate, and 7.5% in FY2019.

OVERALL PERFORMANCE & OUTLOOK

Gross Revenue from operations for the year stood at ₹ 42.50 lakh in comparison to last year revenue of ₹ 284.32 lakh. PBT Margin for the year stood at ₹ 2.72 lakh in comparison to last years' profit of ₹ (0.11) lakh whereas Profit after Tax and Extra-Ordinary items stood at ₹ 2.13 lakh in comparison to last years' figure of ₹ 0.25 lakh.

The Company is into the business of investments in shares & securities and deploying its surplus fund in to treasury operations.

During Current Financial year, the Company has discontinued its trading activities in textile segment due to imposition of VAT, increase in input cost as well as lower profit margin due to steep competition. In the Capital Market front, the Company is having exposure in unlisted Shares and opted to remain invested in most of the Securities which the Company was holding in last financial year. All these resulted into the lower revenue of the Company and even had impacted the profitability of the Company.

The Company is trying to come out of tough situation and is hopeful of recovering out of bad phase as time progresses.

DIVIDEND AND RESERVES

Due to lower profit earned during the year and with a view to conserve resources to face future challenges, your Directors do not recommends any dividend for the year under review.

During the year under review Nil were transferred to Special (General) Reserves.

SHARE CAPITAL

The paid up Equity Share Capital as on March 31, 2018 was ₹ 1328.4474 lakh. During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2018, none of the Directors of the Company hold shares or convertible instruments of the Company.

FINANCE AND ACCOUNTS

As mandated by the Ministry of Corporate Affairs, the financial statements for the year ended on March 31, 2018 has been prepared in accordance with the Indian Accounting Standards (IND AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended March 31, 2018.

The Company continues to focus on judicious management of its working capital. Receivables, inventories and other working capital parameters were kept under strict check through continuous monitoring.

There is no audit qualification in the standalone financial statements by the statutory auditors for the year under review.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments, if any, covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

SUBSIDIARY COMPANY

The Company does not have any material subsidiary as defined under the Listing Regulations. However, it has formulated a policy for determining its 'Material' Subsidiaries and the same is available on the website of the Company viz. www.khoobsuratltd.com

RELATED PARTY TRANSACTIONS

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and Regulation 23 of Listing Regulations; during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013 and the Rules made thereunder are not attracted and thus disclosure in term of Section 134(3) (h) r/w Rule 8 (2) of the Companies (Accounts) Rules, 2014 and under Regulation 34(3) & 53

(f), Para A of Schedule V of SEBI(LODR) Regulations, 2015 is attached as Annexure I. Further, there are no materially significant transactions with related parties during the financial year which were in conflict with the interest of the Company. Suitable disclosure as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's website viz. www.khoobsuratltd.com.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis on the operations of the Company as prescribed under Part B of Schedule V read with regulation 34 (3) of the Listing Regulations, 2015 is provided in a separate section and forms part of the Directors' Report.

CHANGE IN NATURE OF BUSINESS, IF ANY.

During current financial year, the Company has discontinued its business activities in textile segment due to implementation of GST, rise in input cost of as well as lower margin due to steep competition. However the Company is continue to operate in "Finance and Investments" segment of business.

BOARD EVALUATION

The Board of Directors have laid down the manner for carrying out an annual evaluation of its own performance, its various Committees and individual directors pursuant to the provisions of the Act and relevant Rules and the Corporate Governance requirements are in compliance with Regulation 17 of Listing Regulations, 2015. The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria such as Board Composition, process, dynamics, quality of deliberations, strategic discussions, effective reviews, committee participation, governance reviews etc. The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of criteria such as Committee composition, process, dynamics, deliberation, strategic discussions, effective reviews etc. The Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as transparency, analytical capabilities, performance, leadership, ethics and ability to take balanced decisions regarding stakeholders etc.

NUMBER OF MEETINGS OF THE BOARD

The details of the Board Meetings and other Committee Meetings held during the financial year 2017-18 are given in the separate section of Corporate Governance Report.

BOARD COMMITTEES

All Committees of the Board of Directors are constituted in line with the provisions of the Companies Act, 2013 and applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

MANAGEMENT

There is no Change in Management of the Company during the year under review.

DIRECTORS

During the current financial year, the Company has appointed Mr. Alok Kr. Das as Independent Director w.e.f. 28th August 2017. Apart from the sole appointment of Director, there is no change in composition of Board.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, none of the Directors of the Company are disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

INDEPENDENT DIRECTORS

As per provisions of Section 149 of the 2013 Act, independent directors shall hold office for a term up to five consecutive years on the board of a company, but shall be eligible for re-appointment for another term up to five years on passing of a special resolution by the company and disclosure of such appointment in Board's Report. Further Section 152 of the Act provides that the independent directors shall not be liable to retire by rotation in the Annual General Meeting ('AGM') of the Company.

As per requirements of Regulation 25 of SEBI LODR Regulations, 2015, a person shall not serve as an independent director in more than seven listed entities: provided that any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities. Further, independent directors of the listed entity shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management and all the independent shall strive to be present at such meeting.

DETAILS OF DIRECTORS / KMP APPOINTED AND RESIGNED DURING THE YEAR

Sl. No.	Name	Designation	Date of Appointment	Date of Resignation
1	Mr. Alok Kr. Das	Non-Executive, Non-Independent	25th August 2017	—
2	Rajni DokaniaCS	CS	—	July 25, 2017
3	Bhagyadhree Hirawat	CS	25th July 2017	—
4	Babu Mallesh Gollar	CFO	—	23rd January 2018
5	Mr. Amalesh Sadhu	CFO	24th January 2018	—

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, TRIBUNALS OR COURTS

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments affecting the financial position of the Company between the end of Financial Year and date of the report.

CHANGE IN SITUATION OF REGISTERED OFFICE

During the year, the Company has changed the situation of Registered Office within the City limit of Kolkata.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained, your Directors make the following statement in terms of Section 134(3)(c) of the Companies Act, 2013:

1. that in the preparation of the Annual Accounts for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. 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 as at March 31, 2018 and of the profit/(loss) of the Company for the

year ended on that date;

3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. the annual accounts have been prepared on a going concern basis;
5. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
6. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INFORMATION TECHNOLOGY

Innovation and Technology are synonymous with the Company. The investment in technology acts as a catalyst and enables the Company to be innovative.

BUSINESS RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is reviewed periodically by the Board and the Audit Committee.

However, provision of Regulation 21 of SEBI LODR Regulations, 2015 for constitution of Risk Management Committee is not applicable to the Company.

INTERNAL AUDIT AND INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY

Your Company has an Internal Control System, which is commensurate with the size, scale, scope and complexity of its operations. To maintain its objectivity and independence, an independent firm of Chartered accountants has been appointed as the Internal Auditors, who report to the Chairman of the Audit Committee of the Board.

The Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in your Company, its compliance with operating systems, accounting procedures and policies of your Company. Based on the report of the Internal Auditors placed before the Audit Committee, process owners undertake corrective action in their respective areas and thereby strengthen the controls. The internal controls have been reported by the Auditors to be adequate and effective during the year.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company i.e. www.khoobsuradtd.com

RESEARCH & DEVELOPMENT

The Company believes that technological obsolescence is a reality. Only progressive research and development will help us to measure up to future challenges and opportunities. We invest in and encourage continuous innovation. During the year under review, expenditure on research and development and is not significant in relation to the nature size of operations of your Company.

Statutory Auditors

M/s K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) are the statutory auditors of the Company for the year ended March 31, 2018. Further, M/s K. Ray & Co., Chartered Accountants,

Kolkata (FRN-312142E) have expressed their un-willingness to re-appoint themselves as Statutory Auditors of the Company after the conclusion of 36th Annual General Meeting due to their other commitments, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Company is looking to fill the casual vacancy caused due to the resignation of M/s. K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) effective from the conclusion of 36th Annual General Meeting.

The Audit Report given by M/s K. Ray & Co., Chartered Accountants, Kolkata (FRN-312142E) (erstwhile Statutory Auditors) for the financial year 2017-18, forming part of this Annual Report.

Their appointment as the statutory auditors will be ratified at the ensuing Annual General Meeting pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder.

There is no audit qualification, reservation or adverse remark for the year under review.

Secretarial Auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Kirti Daga, (C. P. No. 14023) Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed as MR-3 in this Annual Report as Annexure II.

Internal Auditors

The Company has appointed M/s. K. Ray & Co., Chartered Accountants (FRN - 312142E) as Internal Auditors of the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 134(3) (a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended 31st March, 2018 made under the provisions of Section 92(3) of the Act is attached as Annexure III to this report.

PARTICULARS OF EMPLOYEES

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the same is not applicable to the Company as none of employee is drawing remuneration in excess of the limits set out in the said rules and thus no disclosure has been provided in this Annual Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 by way of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2016 dated June 30, 2016 ("Amended Managerial Remuneration Rules, 2016"), the report is not applicable to the Company.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT 2013 READ WITH RULES

Pursuant to the requirements of Section 22 of Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013 read with Rules thereunder, the Company has not received any complaint of sexual harassment during the year under review.

PARTICULARS UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013

Since the Company is into the business trading in textile products, of financing and into the investment

activities in Shares and Securities; the information regarding Conservation of Energy, Technology Absorption, Adoption and Innovation, as defined under section 134(3)(m) of the Companies Act, 2013 read with Rule, 8(3) of the Companies (Accounts) Rules, 2014, is reported to be NIL.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company did not earned or used any foreign exchange during the year under review.

PUBLIC DEPOSITS

During the year under review, your Company has not accepted any deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

REPORT ON CORPORATE GOVERNANCE

As per Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on corporate governance practices followed by the Company, together with a certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

CAUTIONARY STATEMENT

Statements in this Directors' Report and Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

APPRECIATION

Your Directors wish to place on record their appreciation towards the contribution of all the employees of the Company and their gratitude to the Company's valued customers, bankers, vendors and members for their continued support and confidence in the Company.

Registered Office :
7-A, Bentinck Street, 3rd Floor
Kolkata-700 001
Kolkata, May 30, 2018

By order of the Board
For **Khoobsurat Limited**
Sd/- **Goutam Bose**
(DIN : 02504803)
Managing Director

MANAGEMENT DISCUSSIONS & ANALYSIS

MACRO ECONOMIC ENVIRONMENT

The year 2017 was marked by a number of key structural initiatives to build strength across macro-economic parameters for sustainable growth in the future. The growth in the first half of the year suffered despite global tailwinds. However, the weakness seen at the beginning of 2017 seems to have bottomed out as 2018 set in. Currently, the economy seems to be on the path to recovery, with indicators of industrial production, stock market index, auto sales and exports having shown some uptick (shown below). We believe that India's economic outlook remains promising for FY17-18 and is expected to strengthen further in FY18-19. However, the signs of green shoots should not be taken for granted as downside risks remain.

The Indian economy is expected to grow at an annual rate of 7.4% in 2018 and 7.8% in 2019, according to a recently released IMF Economic Outlook. India's economy is "lifted by strong private consumption as well as fading transitory effects of the currency exchange initiative and implementation of the national goods and services tax," notes the report. "Over the medium term, growth is expected to gradually rise with continued implementation of structural reforms that raise productivity and incentivize private investment."

India's projected 2018-19 growth rates are well above China's 6.6% and 6.4% over the same period. And things could get even worse for Chinese economic growth over the long-term, due to the continued rise of the country's nonfinancial debt. "Over the medium term, the economy is projected to continue rebalancing away from investment toward private consumption and from industry to services, but nonfinancial debt is expected to continue rising as a share of GDP, and the accumulation of vulnerabilities clouds the medium-term outlook," notes the IMF report.

BUSINESS SEGMENT

During the year, the Company was operating into following Business segments -

- Trading / Investment in Shares & Securities
- Deploying surplus funds into Treasury Operations

OPPORTUNITIES

For a large and diverse country such as India, ensuring financial access to fuel growth and entrepreneurship is critical. With the launch of government-backed schemes (such as the Pradhan Mantri Jan-Dhan Yojana [PMJDY]), there has been a substantial increase in the number of bank accounts; however, a mere 15% of adults have reported using an account to make or receive payments. The government and regulatory bodies have taken decisive steps to increase this number (and subsequently financial access) by granting in principal licenses to as many as 21 players to establish specialty banks over the next 18 months. This is over and above the focussed approach of the other industry bodies such as the National Payments Corporation of India (NCPI) to further strengthen and augment the payments ecosystem by launching the Unified Payment Interface (UPI) and Bharat Bill Payments System.

The introduction of such specialised players and systems will truly transform the banking value chain in its entirety. This presents a strategic opportunity for NBFCs to ensure sustainable growth over a long term. Partnerships with payments banks, bill payment providers and other financial institutions, such as insurance and asset management companies, will help NBFCs offer the complete

proposition—that is, from deposits to lending, investments and transactions. The reach of NBFCs, along with their strong understanding of the market, can help them position themselves as a better alternative to the traditional ways of banking.

THREATS & CONCERNS

The biggest challenges for 2018 are as to how the economy can maintain its recovery in the face of increasing inflationary pressures, coupled with a higher fiscal deficit as well as an increasing debt burden. The key to this conundrum lies in the revival of consumer demand and private investment.

HUMAN RESOURCES

The Company recognizes that its success is deeply embedded in the success of its human capital. During 2017-2018, the Company continued to strengthen its HR processes in line with its objective of creating an inspired workforce. The employee engagement initiatives included placing greater emphasis on learning and development, launching leadership development programme, introducing internal communication, providing opportunities to staff to seek inspirational roles through internal job postings, streamlining the Performance Management System, making the compensation structure more competitive and streamlining the performance-link rewards and incentives.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The provision of the Section 135 and Schedule VII of the Companies Act, 2013 as well as the provisions of the Companies (Corporate Social Responsibility Policy) Rules, 2014 effective from April 1, 2014 relating to CSR Initiatives are not applicable to the Company.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

The Company has complied with all requirements of regulatory authorities. No penalties/strictures were imposed on the Company by stock exchanges or SEBI or any statutory authority on any matter related to capital market during the last three years.

Registered Office :
7-A, Bentinck Street, 3rd Floor
Kolkata-700 001
Kolkata, May 30, 2018

By order of the Board
For **Khoobsurat Limited**
Sd/- **Goutam Bose**
(DIN : 02504803)
Managing Director

DETAILS OF RELATED PARTY TRANSACTIONS**\DETAILS OF RELATED PARTY TRANSACTIONS**

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

All related party transactions entered during the year were in ordinary course of business and on arm's length basis and the same have been disclosed under Note No. 2.19 of the Notes to Financial Statements.

No material related party transactions arising from contracts/ arrangements with related parties referred to in the Section 188(1) of the Companies Act, 2013 were entered during the year by the Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.

- B. Disclosures pursuant to Regulation 34(3) & 53(f) and Para A of Schedule V of SEBI (LODR) Regulations, 2015

Sl. No.	In the Account of	Disclosures of amount at the year end and the maximum amount of loans/advances/investments outstanding during the year.	
1.	Holding Company	o Loans and advances in the nature of loans to subsidiaries by name and amount	Not Applicable
		o Loans and advances in the nature of loans to associates by name and amount	
		o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
2.	Subsidiary	o Loans and advances in the nature of loans to subsidiaries by name and amount	
		o Loans and advances in the nature of loans to associates by name and amount	
		o Loans and advances in the nature of loans to Firms/Companies in which directors are interested by name and amount	
3.	Holding Company	o Investment by the loanee in the shares of parent Company and subsidiary Company has made a loan or advance in the nature of loan.	

Registered Office :
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Kolkata, May 30, 2018

By order of the Board
For **Khoobsurat Limited**
Sd/- **Goutam Bose**
(DIN : 02504803)
Managing Director

SECRETARIAL AUDIT REPORT
FORM NO. MR-3

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2018

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

The Members,
Khoobsurat Limited

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

Based on my verification of Khoobsurat Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2013;
 - 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, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during audit period)
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

- g) 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;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
6. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given below -
- a. Acts as prescribed under Direct Tax and Indirect Tax
 - b. Acts as prescribed under Shop and Establishment Act of various local authorities.
7. We have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - b) Reserve Bank of India Act, 1934 and the rules made there under to the extent of provisions applicable to Non-Banking Financial Companies and Regulations made thereunder;
 - c) Provident Fund Act 1952;
 - d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (with effect from December 1, 2015).

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

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

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

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

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

We further report that during the audit period the Company has not passed any special resolutions which are having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Place : Kolkata
Date : May 30, 2018

CS Kirti Daga
Membership No. 26425, C. P. No. 14023

Annexure A to the Secretarial Audit Report

The Members,
M/s. Khoobsurat Limited Kolkata

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

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

Place : Kolkata
Date : May 30, 2018

CS Kirti Daga
Membership No. 26425, C. P. No. 14023

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018

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

FORM NO. MGT-9

I. REGISTRATION AND OTHER DETAILS	
CIN	L23209WB1982PLC034793
Registration Date	17/04/1982
Name of the Company	Khoobsurat Limited
Category / Sub-Category of the Company	Category : Company having Share Capital Sub-Category : Indian Non-Government Company
Address of the Registered Office and contact details	7-A, Bentinck Street, 3rd Floor, Kolkata-700 001 Tel : +91 33 4061 7068 Email : khoobsurat.kolkata@gmail.com Website : www.khoobsuratltd.com
Whether listed company	Listed Company
Name, address and contact details of Registrar and Transfer Agent, if any	ABS Consultants Pvt. Ltd. 99, Stephen House, 6th Floor, 4 B.B.D. Bag (East) Kolkata - 700001 Tel : +91 33-2220 1043

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY		
All the business activities contributing 10% or more of the total turnover of the Company shall be started		
Name and Description of main Businesses	NIC Code of Business	% of Total Turnover of the Company
Finance & Trading / Investment in Shares & Securities	66110	100.00%

III. DETAILS OF SUBSIDIARY / ASSOCIATE / HOLDING COMPANIES				
Name & Address of Company	CIN / GLN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
Not Any	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

Category-wise Share Holding

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				%change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	600000		600000	0.45	600000	-	600000	0.45	
b) Central Govt. (s)			-	-		-	-	-	
c) State Govt. (s)			-	-		-	-	-	
d) Bodies Corporate	11686500		11686500	8.80	11686500	-	11686500	8.80	
e) Banks / FIs			-	-		-	-	-	
f) Any Other		-	-	-		-	-	-	-
Sub Total A(1)	12286500	-	12286500	9.25	12286500	-	12286500	9.25	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	
b) Other — Individuals			-	-		-	-	-	
c) Bodies Corporate			-	-		-	-	-	
d) Banks / FIs	-	-	-	-	-	-	-	-	
e) Any Other		-	-	-		-	-	-	-
Sub Total A(2)									
Total Shareholding of Promoters (A1) + (A2)	12286500	-	12286500	9.25	12286500	-	12286500	9.25	
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI			-	-		-	-	-	
b) Banks / FI			-	-		-	-	-	
c) Central Govt. (s)			-	-		-	-	-	
d) State Govt. (s)		-	-	-		-	-	-	
e) Venture Capital Funds			-	-		-	-	-	
f) Insurance Companies	-		-	-	-	-	-	-	
g) FIs -		-	-	-		-	-	-	
h) Foreign Venture Capital Funds	-		-	-	-	-	-	-	
i) Others (Specify)	-	-	-	-	-	-	-	-	
Sub Total B(1)	-	-	-	-	-	-	-	-	
(2) Non-Institutions									
a) Bodies Corporate									
i. Indians	43087829	1612900	44700729	33.65	38178702	1612900	39791602	29.95	3.70
ii. Overseas	-	-	-	-	-	-	-	-	
b) Individuals									
i. Individual Shareholders holding nominal share capital up to ₹ 2 lakh	46459601	8209900	54669501	41.15	55433320	8209900	63643220	47.91	6.76
ii. Individual Shareholders holding nominal share capital in excess of ₹ 2 lakh	20196650	979160	21175810	15.94	16014110	979160	16993270	12.79	3.15
c) Others (Specify)									
i. NRIs	12200	-	12200	0.01	130148	-	130148	0.10	0.09
Sub Total B(2)	109756280	10801960	120558240	90.75	109756280	10801960	120558240	90.75	-
Total Public Shareholding B = B(1) + B(2)	109756280	10801960	120558240	90.75	109756280	10801960	120558240	90.75	
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	122042780	10801960	132844740	100.00	122042780	10801960	132844740	100.00	-

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of year			Shareholding during and at the end of the year			% change in Share holding during 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	
Alok Kr. Das	600,000	0.45%	Nil	600,000	0.45%	Nil	N.A.
Globe Stocks & Securities Ltd.	4,266,000	3.21%	Nil	4,266,000	3.21%	Nil	N.A.
Anant Properties Pvt. Ltd.	2,997,000	2.26%	Nil	2,997,000	2.26%	Nil	N.A.
Bhawani Freight & Forwarder Pvt. Ltd.	2,593,500	1.95%	Nil	2,593,500	1.95%	Nil	N.A.
Karikish Vyapar Pvt. Ltd.	1,830,000	1.38%	Nil	1,830,000	1.38%	Nil	N.A.

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Date of Changes	Reason for Changes
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company		
At the beginning of the year	12286500	9.25	12286500	9.25	No Change	
At the end of the Year	12286500	9.25	12286500	9.25		

iv) Shareholding of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs & ADRs)

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Date wise increase/ decrease in Shareholding	Shareholding during and at the end of the year	
	No. of Shares	% of total shares of the Company		No. of Shares	% of total shares of the Company
Ella Finetex Co. Pvt. Ltd.	10629750	8.00	No Change	10629750	8.00
Shivmani Vinimay Private Limited	3920500	2.95	No Change	3920500	2.95
Dulcet Advisory	0	0.00	Refer Note 1 below	2684740	2.02
Kathakali Vincom Private Limited	0	0.00	Refer Note 1 below	2417993	1.82
Raj Kumar Saraswat	2280000	1.72	No Change	2280000	1.72
Khushi Tradelink Pvt. Ltd.	1711080	1.29	No Change	1711080	1.29
Vishal Vijay Shah	0	0.00	Refer Note 1 below	1696096	1.28
Jackson Investments Limited	1582500	1.19	No Change	1582500	1.19
Bhuwania Vinimay Pvt. Ltd.	0	0.00	Refer Note 1 below	1200000	0.90
Starwise Infrahomes Pvt. Ltd.	25000	0.02	Refer Note 1 below	1140965	0.86

Note 1 : The Company does not procure Beneficiary Positions (BENPOS) on daily basis from Depositories and due to this reason the Company is unable to provide details of date wise change in Shareholding of top 10 shareholders during the current financial year.

v) Shareholding of Directors and Key Managerial Personnel

For Each of Directors & KMP	Shareholding at the beginning of the year		Shareholding during and at the end of the year	
	No. of Shares	% of total shares of the Company	No. of Shares of the Company	% of total shares
Alok Kr. Das, Director	600000	0.45	600000	0.45
Date wise Increase/Decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.):	Not Any			

v) INDEBTEDNESS

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

	Secured Loans Excluding deposits ₹ in Lac	Unsecured Loans ₹ in Lac	Deposits ₹ in Lac	Total Indebtedness ₹ in Lac
Indebtedness at the beginning of the financial year				
i. Principal Amount	Nil	Nil	Nil	Nil
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
• Addition	Nil	Nil	Nil	Nil
• Reduction	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year				
i. Principal Amount	Nil	Nil	Nil	Nil
ii. Interest due but not Paid	Nil	Nil	Nil	Nil
iii. Interest Accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sr. No.	Particulars of Remuneration	Goutam Bose (MD)	Babu Mallesh Gollar (CFO)	Rajni Dokania (CS)	Bhagyashree Hirawar (CS)	Amallesh Sadhu (CFO)
1.	Gross Salary	₹ 2,46,042/-	₹ 2,69,500/-	₹ 60,000/-	₹ 1,20,000/-	₹ 50,000/-
2.	Value of Perquisites	Nil	Nil	Nil	Nil	Nil
3.	Stock Options	Nil	Nil	Nil	Nil	Nil
4.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
5.	Commission	Nil	Nil	Nil	Nil	Nil
6.	Others (Please specify)	Nil	Nil	Nil	Nil	Nil

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. Company					
Penalty Punishment Compounding			No Instance		
B. Directors					
Penalty Punishment Compounding			No Instance		
C. Other Officers in Default					
Penalty Punishment Compounding			No Instance		

Annexure to the Directors' Report

CORPORATE GOVERNANCE

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2018, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations").

Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence. For accomplishment of the objectives of ensuring fair Corporate Governance, the Government of India has put in place a framework based on the stipulations contained under the Companies Act, SEBI Regulations, Accounting Standards, Secretarial Standards, etc. Corporate Governance has become a buzzword in the corporate world. Globalizations, widespread of shareholders, changing ownership structure, greater expectations, etc. have made a good Corporate Governance sin-quo-nun of modern management.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter—Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board, with each member bringing in expertise in their respective domains;
- Timely disclosure of material operational and financial information to the stakeholders;
- Availability of Information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

GOVERNANCE STRUCTURE

The Corporate Governance Structure at Khoobsurat Ltd. is as under :-

- 1. Board of Directors :** The Board is entrusted with the ultimate responsibility of the management, directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosure.
- 2. Committees of the Board :** The Board has constituted the following committees viz. Audit Committee, Nomination & Remuneration Committee and Stakeholders' Relationship Committee. Each of said Committee has been managed to operate within a given framework.

BOARD OF DIRECTORS**Composition of Directors**

The Board has five members with an executive Chairman. The Independent Directors on the Board are competent and highly respected professionals from their respective fields and have vast experience in general corporate management, finance, taxation and other allied fields which enable them to contribute effectively to the Company in their capacity as members of the Board. The day to day management of the Company is conducted by Executive Directors subject to supervisions and control of the Board.

The composition and category of the Board of Directors as at March 31, 2018, the number of other Directorships/Committee memberships held by them and also the attendance of the Directors at the Board meetings of the Company are as under:

Name	Designation	DIN	Date of Joining	Date of Resignation (If applicable)	Committee Membership in other Listed Cos	Committee Chairmanship in other Listed Cos	No. of Directorship in other Listed Cos
Goutam Bose*	Managing Director	02504803	25th March 2010	N.A.	1	1	1
Alok Kr. Das	Non-Executive Director	00243572	28th August 2017	N.A.	Nil	Nil	Nil
Mangelal Joshi	Independent Director	02429795	10th Dec. 2010	N.A.	Nil	Nil	Nil
Raj Kumar Chhakra	Independent Director	00465157	10th Jan 2015	N.A.	Nil	Nil	Nil
Puspa Devi Saraswat	Independent Director	05165143	28th March 2015	N.A.	Nil	Nil	1

*Chairman of the Board

NOTES:

1. Directorships exclude Private limited Companies, Foreign Companies and Section 8 Companies.
2. Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than M/s. Khoobsurat Limited.
3. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairperson of more than five such Committees.
4. No Directors are related with each other.

Chairman and Managing Director

His primary role is to provide leadership to the Board in achieving goals of the Company. He is responsible for transforming the Company into a successful organization. He is responsible, inter-alia, for the working of the Board and for ensuring that all relevant issues are placed before the Board and that all Directors are encouraged to provide their expert guidance on the relevant issues raised in the meetings of the Board. He is also responsible for formulating the corporate strategy along with other members of the Board of Directors. His role, inter alia, includes:

- Provide leadership to the Board and preside over all Board and General Meetings.

- Achieve goals in accordance with Company's overall vision.
- Ensure that Board decisions are aligned with Company's strategic policy.
- Ensure to place all relevant matters before the Board and encourage healthy participation by all Directors to enable them to provide their expert guidance.
- Monitor the core management team.

Non-Executive Directors (including Independent Directors) play a critical role in balancing the functioning of the Board by providing independent judgments on various issues raised in the Board Meetings like formulation of business strategies, monitoring of performances, etc. Their role, inter-alia, includes:

- Impart balance to the Board by providing independent judgment.
- Provide feedback on Company's strategy and performance.
- Provide effective feedback and recommendations for further improvements.

Board Independence

The Non-Executive Independent Directors fulfill the conditions of independence as specified in Section 149 of Companies Act, 2013 and Rules made there under and to meet with requirements of Regulation 16(b) of Listing Regulations. Further, none of the Independent Director is serving more than seven listed companies. In case he/she is serving as a Whole-Time Director in any listed company, does not hold the position of Independent Director in more than three listed companies. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulations has been issued and draft of the same has been disclosed on website of the Company.

Board Meetings

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, the Board's calls the meeting as per requirements of prevailing Act.

The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company.

Information placed before the Board

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

Post Meeting Mechanism

The important decisions taken at the Board / Board Committee meetings are communicated to the concerned department/s and/or division.

Board Support

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

Familiarization Programme for Directors

At the time of appointing Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the Compliance required from him/her under the Companies Act, 2013, requirements of Listing Regulations, 2015 and other relevant regulations and affirmation taken with respect to the same. The Chairman & Managing Director also has one to one discussion with the newly appointed Director to familiarize him/her with the Company's operations. Further, the Company has put in place a system to familiarize the Independent Directors about the Company, its services, business and the on-going events relating to the Company.

Further, at the time of appointment of Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities as a Director. The format of the letter of appointment is available on Company website.

Details of Board Meetings

The Board of Directors met 12 times on 8th April, 10th May, 25th July, 3rd August, 26th August, 28th August, 14th September, 21st September, 12th December and 15th December in year 2017 and on 24th January and 6th February in the year 2018 during the financial year 2017-2018.

Current Board structure and attendance of Board of Directors at the Board Meeting and at the last Annual General Meeting:

Name	Designation	Attendance at the AGM	Meetings Attended
Goutam Bose*	Managing Director	Yes	12
Mangelal Joshi	Independent Director	Yes	12
Raj Kumar Chhakra	Independent Director	Yes	12
Puspa Devi Saraswat	Independent Director	Yes	12
Alok Kr. Das	Non-Executive Director	No	6

*Chairman of the Board

AUDIT COMMITTEE

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulations. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

TERMS OF REFERENCE

The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions. The Company has framed the Audit Committee Charter for the purpose of effective

compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

FUNCTIONS OF AUDIT COMMITTEE

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2018.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Chairman and Managing Director, Chief Financial Officer, the representatives of the Statutory Auditors and the Internal Auditors are permanent invitees to the Audit Committee Meetings. The Company Secretary acts as a Secretary to the Committee as required by Regulation 18(l)(e) of the Listing Regulations.

The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulations. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site www.khoobsuratltd.com and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites.

The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

INTERNAL CONTROLS AND GOVERNANCE PROCESSES

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

Constitution and Meetings of Audit Committee

There is no change in composition of Audit Committee during the financial year. The members of Audit Committee met eight times on 10th May, 25th July, 26th August, 14th September, 21st September, 12th December and 15th December in year 2017 and on 6th February in year 2018 during the financial year ended on 31st March 2018.

Name	Number of Meetings Held	Meetings Attended
Goutam Bose	8	8
Mangelal Joshi*	8	8
Raj Kumar Chhakra	8	8

* Chairman of the Committee

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee consists of three Non-executives, Independent Directors. All members of the Nomination & Remuneration Committee are financially literate and they have accounting or related financial management expertise.

Terms of Reference

The Board has framed the Remuneration and Nomination Committee Charter which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulations, which are as follows:

- Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level below the Board);
- to help in determining the appropriate size, diversity and composition of the Board;
- to recommend to the Board appointment/reappointment and removal of Directors;
- to frame criteria for determining qualifications, positive attributes and independence of Directors;
- to recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
- to create an evaluation framework for Independent Directors and the Board;
- to provide necessary reports to the Chairman after the evaluation process is completed by the Directors;
- to assist in developing a succession plan for the Board;
- to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.

POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

Criteria of selection of Non-Executive Directors

- The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of accounting, finance, taxation, law etc. However Women Director is exempted from said criteria.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-a-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director -
 - a. Qualification, expertise and experience of the Directors in their respective fields;
 - b. Personal, Professional or business standing;

c. Diversity of the Board.

- In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

Remuneration

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CEO & Managing Director - Criteria for selection / appointment

For the purpose of selection of the CEO & MD, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfills such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

Remuneration for the CEO & Managing Director

- At the time of appointment or re-appointment, the CEO & Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO & Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the CEO & Managing Director is paid by way of salary, allowances, perquisites, amenities and retirement benefits.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulations, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, 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.

The performance evaluation of the Chairman and Managing Director and the Non Independent Directors was carried out by the Independent Directors. Directors express their satisfaction with the evaluation process.

Constitution and Meetings of Nomination & Remuneration Committee

There is no change in composition of Nomination & Remuneration Committee during the financial year. The members of Nomination & Remuneration Committee met seven times on 8th April, 25th July, 26th August, 28th August, 21st September and 15th December in year 2017 and on 24th January in year 2018 during the financial year ended on 31st March 2018.

Name	Number of Meetings Held	Meetings Attended
Puspa Devi Saraswat	7	7
Mangelal Joshi	7	7
Raj Kumar Chhakra*	7	7

* Chairman of the Committee

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholder's Relationship Committee is constituted in line with the provisions of Regulation 20 of the SEBI LODR Regulations 2015, read with Section 178 of the Act and rules made thereunder.

The terms of reference of the Committee are:

- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/ debenture certificates;
- opening/modification of operation and closing of bank accounts;
- grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi- Government Institutions; to fix record date/book closure of share/debenture transfer book of the Company from time to time;
- to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
- to change the signatories for availing various facility from Banks/Financial Institutions;
- to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to-time.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, ABS Consultants Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

Compliance Officer

The Company has appointed Ms. Rajni Dokania, Company Secretary, as a Compliance Officer within the meaning of Regulation 6 of Listing Regulations.

Composition of Committee and Meetings attended

There is no change in composition of Stakeholders' Relationship Committee during the financial year. During the year, four meetings of the Stakeholders' Relationship Committee were held on 10th May, 14th September and 9th October in year 2017 and on 12th January in year 2018 during the financial year 2017-2018.

A brief detail of Names, Position, Category and meeting attended by Members of Committee is as follows:

Name	Position	Category	Meetings Attended
Mr. Mangelal Joshi*	Chairman	Independent, Non-Executive	4
Mr. Goutam Bose	Member	Executive Director	4
Mr. Raj Kumar Chhakra	Member	Independent, Non-Executive	4

DETAILS OF SHAREHOLDERS' COMPLAINTS

There 'was Nil Complaint pending at the beginning of the Financial Year. During the year the Company did not receive any compliant from any of the shareholders. Further, there was no pending complaint at the close of the financial year.

As required under Regulation 40(9) of Listing Regulations, a Certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

The Company has designated email ID khoobsurat.kolkata@gmail.com to lodge Investor complaints. Apart from this, the SEBI has also facilitated Investors to lodge complaints directly on SCORES on SEBI website for faster addressing and resolutions of Investor Complaints.

Independent Directors' Meeting

During the year under review, the Independent Directors met on March 28, 2018, inter alia, to discuss:

- Evaluation of the Performance of Non-independent Directors and the Board of Directors as a whole;
- Evaluation of the Performance of Chairman of the Company; taking into account the views of the Executive and Non Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

GENERAL BODY MEETINGS

Location & time for the last three Annual General Meetings :

Annual General Meeting	Date & Time	Venue
35th Annual General Meeting	21st September 2017, 10.00 AM	Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-700 031
34th Annual General Meeting	28th September 2016, 10.00 AM	Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-700 031
33rd Annual General Meeting	28th September 2015, 10.00 AM	Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-700 031

SPECIAL RESOLUTION PASSED AT LAST THREE ANNUAL GENERAL MEETINGS:

Company has passed following Special Resolution in pursuance of the prevailing Laws, Rules, Regulations, Guidelines, Standards, etc. in the 33rd Annual General Meeting -

- Adoption of new set of Articles of Association of the Company as per Section 14 of the Companies Act, 2013

Apart from the above, no special resolution has been passed in remaining two out of last three Annual General Meetings.

PASSING OF RESOLUTION BY POSTAL BALLOT:

During Financial Year 2015-16, Special Resolution has been passed for sub-division in face value of Equity Shares i.e. from Rs 10/- to Rs 1/- and to amend Capital Clause of Memorandum of Association accordingly.

At the forthcoming Annual General Meeting, there is no item on the agenda that needs approval by Postal Ballot.

EXTRA-ORDINARY GENERAL MEETING

No Extra-Ordinary General Meeting was held by the Company during the financial year ended on 31st March 2018.

BOARD DISCLOSURES

Compliance with Governance Framework

The Company is in compliance with all mandatory requirements under Listing Regulations, 2015.

STRICTURES AND PENALTIES

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets activities during the last three years.

DISCLOSURE OF ACCOUNTING TREATMENT

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

RISK MANAGEMENT

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks. The risk management framework is examined periodically by the Board and the Audit Committee.

SEBI / STOCK EXCHANGE COMPLIANCE

The Company has complied with all requirements of the Listing Agreement entered into with Stock Exchanges and also SEBI Listing Regulations (effective from 1st December 2015). Consequently there were no strictures or penalties imposed either by SEBI or Stock Exchange or any Statutory Authority for non-compliance of any matter related to the Capital Markets during the last three years.

PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the company and during the period when the trading window is closed. The Company Secretary & Head Compliance is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.
DISCLOSURES

- a) There are no transactions with related party i.e. with Promoters, Directors, Management, Subsidiaries or Relatives that may have potential conflict of interest with the Company at large.
- b) There has been no instance of non-compliance by the Company on any matter related to Capital Markets and hence the question of penalties or strictures being imposed on the Company by the Stock Exchange or SEBI or any Statutory Authority does not arise.
- c) In Compliance with the Securities & Exchange Board of India (Prohibition of Insider Trading Regulations, 2015) as amended till date, on Prohibition of Insider Trading, the Company has a comprehensive Code of Conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences of non-compliance thereof. Further, we affirm that no personnel have been denied access to the Audit Committee.
- d) Reconciliation of Share Capital : As stipulated by SEBI, a qualified Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges where the company's shares are Listed the audit confirms that the total Listed and Paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

CODE OF BUSINESS CONDUCT & ETHICS

The Company has adopted Code of Business Conduct and Ethics ("the Code") which is applicable to the Board of Directors and Senior Management team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management team are required to affirm semi-annual compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company website.

CONFLICT OF INTEREST

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transactions that they have concern or interest.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulations, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairman of the Audit Committee in exceptional cases. None of the personnel of the Company have been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. www.khoobsuratltd.com.

COMMUNICATION WITH THE MEMBERS/SHAREHOLDERS

- The unaudited quarterly / half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the close of the financial year as per the requirements of the listing Regulations.
- The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper and in local language (Bengali) newspaper, within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.
- The Company's financial results and official press releases are displayed on the Company's Website-www.khoobsuratltd.com
- Any presentation made to the institutional investors or/and analysts are also posted on the Company's website.
- Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- The Company also informs by way of intimation to BSE, MSEIL & CSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the members.
- In compliance with Listing Regulations, the quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE are filed electronically on BSE's and MSEIL's online portal. The Company has complied with filing submissions through BSE's BSE Online Portal and MSEIL's Online Portal. In case of CSE the same are filed by email.
- A separate dedicated section under 'Investors' on the Company's website gives information on unclaimed dividends (if any), notices to the Board Meetings, quarterly compliance reports / communications with the Stock Exchanges and other relevant information of interest to the investors / public.

DISCLOSURES ON NON-MANDATORY REQUIREMENTS

Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time-to-time.

GENERAL SHAREHOLDER INFORMATION

Detailed information in this regard is provided in section "Shareholders Information" which forms part of this Annual Report.

SHAREHOLDERS' INFORMATION

a. Next Annual General Meeting

The information regarding 36th Annual General Meeting for the financial year ended on 31st March 2018 is as follows :-

Date : 27th September, 2018 (Thursday)

Time : 9.00 A.M.

Venue : Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-31

b. Financial Calendar : 1st April to 31st March.

c. Future Calendar for financial year ending 31st March 2019 :

Subject Matter	Tentative Date
Financial Reporting of 1st Quarter ended on 30th June 2018	Mid of August, 2018
Financial Reporting of 2nd Quarter ended on 30th September 2018	Mid of November, 2018
Financial Reporting of 3rd Quarter ended on 31st December 2018	Mid of February 2019
Financial Reporting of 4th Quarter ended on 31st March 2019	During May 2019
Date of Annual General Meeting	During September 2019

d. Date of Book Closure : September 21, 2018 to September 27, 2018. (Both days inclusive)**e. Dividend Payment :** No Dividend has been recommended for the year.**f. Dividend History**

The Company has not paid any Dividend during last 10 years.

g. Unclaimed Dividend / Share Certificates

Pursuant to the provisions of Section 124(5) of the Companies Act, 2013, if the dividend transferred to the Unpaid Dividend Account of the Company remains unpaid or unclaimed for a period of seven years from the date of such transfer then such unclaimed or unpaid dividend shall be transferred by the company along with interest accrued, if any to the Investor Education and Protection Fund ('the IEPF'), a fund established under sub-section (1) of section 125. The details of unclaimed/unpaid dividend are available on the website of the Company viz. www.khoobsuratltd.com

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) (IEPF Rules) shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Shares which are transferred to the Demat Account of IEPFA can be claimed back by the shareholders from IEPFA by following the procedure prescribed under the IEPF Rules.

Details of Unclaimed Dividend and Due Dates for transfer are as follows as on March 31, 2018:

Sr. No.	Year of Declaration of Dividend	Date of Declaration of Dividend	Unclaimed Amount	Due Date for transfer to IEPF Account
1.	Not Any	Not Any	Nil	N.A.

Further, as required to be disclosed under Regulation 34(3) read with Schedule V of Listing Regulations, Nil Shares are lying at the beginning or at the close of financial year in the Suspense Account. Further the Company did not move in/out any Equity Share in said Suspense Account during the current financial year.

h. Listing of Shares : BSE Limited (BSE)
 Calcutta Stock Exchange Association Ltd. (CSE)
 Metropolitan Stock Exchange of India Ltd. (MSEIL)

i. Listing Fees : Annual Listing Fees for FY 2016-2017 have been paid to both BSE and MSEIL Listing Fees is yet to be paid to CSE.

- j. **Stock Code & ISIN Code** : 535730 on BSE; 21144 on CSE, MSEIL - KHOOBSURAT
: INE731G01019 on both CDSL & NSDL

k. **Market Price Data** :

Month	Price on BSE (Rs) & Volume			S&P BSE Sensex	
	High	Low	Volume	High	Low
April 2017	0.41	0.31	36,185	30,184.22	29,241.48
May 2017	0.32	0.25	5,97,238	31,255.28	29,804.12
June 2017	0.25	0.22	81,241	31,522.87	30,680.66
July 2017	0.21	0.20	63,501	32,672.66	31,017.11
August 2017	0.20	0.20	1,300	32,686.48	31,128.02
September 2017	-	-	-	32,524.11	31,081.83
October 2017	-	-	-	33,340.17	31,440.48
November 2017	-	-	-	33,865.95	32,683.59
December 2017	0.22	0.18	13,600	34,137.97	32,565.16
January 2018	0.50	0.24	1,23,64,905	36,443.98	33,703.37
February 2018	0.51	0.32	16,19,219	36,256.83	33,482.81
March 2018	0.32	0.20	7,34,513	34,278.63	32,483.84

However, Shares of the Company have not been traded either on CSE or on MSEIL during the financial year under review.

l. **Registrar & Share Transfer Agent.**

M/s. ABS Consultants Pvt. Ltd. has been appointed as Registrar & Share Transfer Agent for all work relating to share registry in terms of both physical and electronic mode. All transfer, transmission, request related to correspondence/queries, intimation of change of address etc. should be addressed to our RTA directly at the following Address:

M/s. ABS Consultants Pvt. Ltd.

99, Stephen House, 6th Floor

4, B.B.D. Bag (East), Kolkata-700 001

Phone - 033-22430153 / 033-22201043, Fax 033-22430153, E-Mail: absconsultant@vsnl.net

m. **Share Transfer Systems**

The Share transfer is processed by the Registrar & Share Transfer Agent, ABS Consultants Pvt. Ltd. and approved by Stakeholders' Relationship Committee, if the documents are complete in all respects, within 15 days from the date of lodgment.

n. **Shareholding Pattern as on 31st March 2018**

Categories	No. of Shares	% of Shareholding
Promoters, Directors & Relatives & Person acting in concert	12286500	9.25
Indian Bank / Mutual Funds	00	0.00
NRI/OCBS	12200	0.01
Private Corporate Bodies	44700729	33.65
Indian Public	75845311	57.09
Total	132844740	100.00

o. Consolidation of Folios and avoidance of multiple mailing

In order to enable the Company to reduce costs and duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrars and Transfer Agents indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

p. Compliance with Secretarial Standards

The Institute of Company Secretaries of India, a Statutory Body, has issued Secretarial Standards on various aspects of corporate law and practices. The Company has complied with each one of them.

q. Distribution of Shareholding as on 31st March 2018

No. of Equity Shares	No. of Share Holders	% of Share Holders	Total No. of Shares Held	% of Share Holding
1-500	509	16.51	82523	0.06
501-1000	309	10.02	289252	0.22
1001-2000	247	8.01	426365	0.32
2001-3000	126	4.09	342120	0.26
3001-4000	58	1.88	217002	0.16
4001-5000	113	3.67	553642	0.42
5001-10000	267	8.66	2208634	1.66
10001-50000	1078	34.97	33483944	25.21
50001-100001	203	6.58	15318661	11.53
100001 and above	173	5.61	79922597	60.16
Total....	3083	100.00	132844740	100.00

r. Details of Shareholders holding more than 5% holding under Public Category

Following persons/entities are holding more than 5% of Paid-up Equity Share Capital of the Company as on 31st March 2018 –

Name of Shareholder	No. of Shares Held	% of Shareholding
Ella Finetex Co. Pvt. Ltd.	10,62,975	8.00%

s. Dematerialization of Shares & Liquidity

The Company's Equity Shares are in Demat trading segment and the Company had established connectivity with both NSDL & CDSL by signing the necessary agreements.

Procedures for dematerialization / rematerialization of Equity Shares:-

Shareholders seeking demat / remat of their shares need to approach their Depository Participants (DP) with whom they maintain a demat account. The DP will generate an electronic request and will send the physical share certificates to Registrar and Share Transfer Agents of the Company. Upon receipt of the request and share certificates, the Registrar will verify the same. Upon verification, the Registrar will request NSDL/CDSL to confirm the demat request. The demat account of the respective share holder will be credited with equivalent number of shares. In case of rejection of the request, the same shall be communicated to the shareholder.

In case of remat, upon receipt of the request from the shareholder, the DP generates a request and verification of the same is done by the Registrar. The Registrar then requests NSDL or CDSL to confirm the same. Approval of the Company is being sought and equivalent numbers of shares are issued in physical form to the shareholder. The share certificates are dispatched within 15 days from the date of issue of Shares.

The Shares of Company are traded on BSE, MSEIL & CSE. 91.04% of the Company's Equity Share Capital held under Public category has been dematerialized up to 31st March 2018.

t. Nomination

Individual Shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the depository participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination form SH-13 ([Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014] can be obtained from the Company's Registrar and Share Transfer Agent. It is also available on Public domain.

u. Electronic Clearing Service

The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the Depositories for depositing dividends. Dividend will be credited to the Members' bank account through NECS wherever complete core banking details are available with the Company. In case where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records. This ensures that the dividend warrants, even if lost or stolen, cannot be used for any purpose other than for depositing the money in the accounts specified on the dividend warrants and ensures safety for the investors. The Company complies with the SEBI requirement.

v. Service of Documents through Electronic Mode

As a part of Green Initiatives, the members who wish to receive the notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, ABS Consultants Pvt. Ltd. to their dedicated e-mail id i.e., "absconsultant@vsnl.net."

w. Requirement of PAN Card in case of Transfer of Shares in Physical Form

Pursuant to SEBI Circular, the shareholders holding shares in physical form are requested to submit self certified copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.

x. For the Attention of Shareholders holding shares in electronic form

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

y. Details on use of Public Funds Obtained in the last three years :

No Fund has been raised during last three financial years.

z. Investors Correspondence

Shareholders can contact the following Officials for secretarial matters of the Company :-

Ms. Rajni Dokania - khoobsurat.kolkata@gmail.com

aa. Outstanding GDRs./ADRs/Warrants or any convertible instruments, conversion data likely impact on Equity :

Not Any.

bb. Code of Conduct

The Board of Directors of the Company has laid down Code of Conduct for Directors and for Senior Management & Employees. All Board Members and Senior Management have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Wholetime Director & Chief Executive Officer is annexed to this report.

cc. Plant Location

Not Any

dd. Address for Correspondence

Khoobsurat limited

7-A, Bentinck Street, 3rd Floor, Kolkata-700 001

Tel: +91 33 40661067 Fax : +91 33 30285807, Email: khoobsurat.kolkata@gmail.com

CEO / CFO CERTIFICATION

I the undersigned, in our respective capacities as Managing Director of M/s. Khoobsurat Limited ("the Company") to the best of our knowledge and belief certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further state that to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee
 - (i) significant changes, if any, in internal control over financial reporting during the year;
 - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **Khoobsurat Limited**

Sd/-

Amalesh Sadhu

Chief Financial Officer

Kolkata, May 30, 2018

For **Khoobsurat Limited**

Sd/-

Goutam Bose

(DIN : 02504803)

Managing Director

Kolkata, May 30, 2018

ANNUAL CERTIFICATE UNDER REGULATION 26 (3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with M/s. Khoobsurat Limited, of Code of Business Conduct and Ethics for the year ended March 31, 2018.

Kolkata, May 30, 2018

For **Khoobsurat Limited**

Sd/- *Goutam Bose*

(DIN : 02504803)

Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Khoobsurat Limited

1. This certificate is issued in accordance with the terms of our engagement letter with the Company.
2. We have examined the compliance of conditions of corporate governance by Khoobsurat Limited (the 'Company') for the year ended 31st March 2018, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'listing Regulations').

Management's Responsibility

3. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31 March 2018.

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

Restriction on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **K. Ray & Co.**
Chartered Accountants
FRN: 312142E
Sd/-

Supratim Raychoudhury
Partner
Membership No. 066040

Place : Kolkata
Date : May 30, 2018

INDEPENDENT AUDITORS' REPORT

To
The Members of Khoobsurat Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Khoobsurat Limited, which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and profit/loss, (changes in equity) and its cash flows for the year ended on that date.

Basis for Opinion

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

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.

Management's Responsibility for the Standalone Financial Statements

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

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

Auditors' Responsibility

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.

Report on Other Legal and Regulatory Requirements

As required by "the Companies (Auditor's Report) Order, 2016 ("the Order")", issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we consider appropriate and according to the information and explanation given to us, we give in the Annexure "A" a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) The going concern matter described in sub-paragraph (b) under the Other Matters paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
- f) On the basis of written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure B.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our knowledge and belief and according to the information and explanations given to us:
 - i The Company has disclosed the impact of pending litigations, if any, on its financial position in its financial statements; however there isn't any litigations pending against the name of the company so far, as appeared from the records and has been told to us by the management.
 - ii The Company has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; however, no such losses are been foreseeable in near future by the company's management.
 - iii There are no requirements in transferring amounts, to the Investor Education and Protection Fund by the Company.

For **K. Ray & Co.**
Chartered Accountants
FRN: 312142E

Sd/-
Supratim Raychoudhury
Partner
Membership No. 066040

Place : Kolkata
Date : May 30, 2018

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

The auditor's report on the accounts of a company to which this Order applies shall include a statement on the following matters, namely: -

- i (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) The tide deeds of immovable properties are held in the name of the company.
- ii The Company is maintaining proper records of inventory and there is no any material discrepancy noticed.
- iii 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 Companies Act, 2013. Accordingly, the provisions of Clause 3(iii) of the Order are not applicable to the Company.
- iv In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made, and guarantees and security provided by it.
- v The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified. Accordingly, the provisions of Clause 3(v) of the Order are not applicable to the Company
- vi Maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and no such accounts and records have been so made and maintained. Accordingly, die provisions of Clause 3(vi) of the Order are not applicable to the Company.
- vii (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any odier statutory dues to the appropriate authorities;
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duly of excise or value added tax -tax, which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date
- ix. In our opinion, and according to the information and explanations given to us, there was no money raised by way of Initial public offer or any term loan, accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the

Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.

- xi. During the course of our examination of the books and records of the Company and according to the information and explanations given to us, the company has paid managerial remuneration within the limits specified under Section 197 of Companies Act, 2013.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has not entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. Accordingly, the provisions of Clause 3(xiii) of the Order are not applicable to the Company.
- xiv. 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.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provisions of the clause 3(xvi) of the said order are not applicable to the Company.

Place : Kolkata
Date : May 30, 2018

For **K. Ray & Co.**
Chartered Accountants
FRN: 312142E
Sd/-
Supratim Raychoudhury
Partner
Membership No. 066040

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of Khoobsurat Limited on the financial statements for the year ended March 31, 2018

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

We have audited the internal financial controls over financial reporting of Khoobsurat Limited ("the Company") as of March 31, 2018 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the 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 or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, 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.

Place : Kolkata
Date : May 30, 2018

For **K. Ray & Co.**
Chartered Accountants
FRN: 312142E
Sd/-
Supratim Raychoudhury
Partner
Membership No. 066040

**Financial Statement for the year
2017-2018**

Balance Sheet as at 31 March, 2018

Particulars	Note No.	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
I. ASSETS				
Non-current assets				
Property, Plant and Equipment	4(a)	588,376	636,735	701,954
Total Non-current assets		588,376	636,735	701,954
Current assets				
Inventories	5	587,500	644,800	8,478,000
Financial Assets				
(i) Current Investments	6	111,128,200	83,120,100	33,458,700
(ii) Trade receivables	7	7,457,810	23,362,460	19,021,337
(iii) Cash and cash equivalents	8a)	1,072,903	2,296,061	14,343,793
(iv) Bank balances other than (ii) above	8b)	7,498	17,361	17,361
(v) Loans	9	79,757,196	77,108,868	141,564,772
Other current assets	10	56,118,496	100,615,818	70,004,563
Income Asset Tax (Net)	11	1,341,635	2,081,190	1,776,429
Total Current Assets		257,471,238	289,246,658	288,664,955
Total Assets		258,059,614	289,883,393	289,366,909
II. EQUITY AND LIABILITIES				
Equity				
a) Equity Share Capital	12	132,844,740	132,844,740	132,844,740
b) Other Equity	13	117,603,691	117,391,226	117,142,601
Total Equity		250,448,431	250,235,966	249,987,341
Non-current liabilities				
Deferred tax liabilities (Net)	14	47,072	54,846	52,586
Total non-current liabilities		47,072	54,846	52,586
Current liabilities				
Financial Liabilities				
(ii) Trade payables	15	7,467,726	39,326,726	38,665,310
Other current liabilities	16	96,385	265,856	661,674
Total current liabilities		7,564,111	39,592,582	39,326,984
Total Liabilities		7,611,183	39,647,428	39,379,570
Total Equity and Liabilities		258,059,614	289,883,393	289,366,909

Significant accounting policies 1, 2 & 3
The accompanying notes form an integral part of the standalone Ind AS financial statements

As per report of even date
For **K. Ray & Co.**
Chartered Accountants
FRN: 312142E

Sd/-
Supratim Roychoudhury
Partner
M. No.: 066040

Date : May 30, 2018
Place : Kolkata

For and on behalf of the Board
Sd/-
Goutam Bose
Managing Director

Sd/-
Alok Kumar Das
Director

Sd/-
Amalesh Sadhu
CFO
Date : May 30, 2018
Place : Kolkata

Sd/-
Bhagyashree Hirawat
CS

Statement of Profit and loss for the year ended 31 March 2018

Particulars	Note No.	Current Year 2017-18 (Rs.)	Previous Year 2016-17“(Rs.)
Revenue from operations	17	–	20,584,474
Other income	18	4,249,868	7,847,601
Total Revenue (A)		4,249,868	28,432,076
Expenses			
Purchase of Traded Goods	19	–	11,623,490
Changes in inventories of finished goods/ traded goods and work-in-progress	20	57,300	7,833,200
Employee benefits expense	21	2,067,734	2,366,621
Depreciation and amortisation expense		48,359	65,219
Other expenses	22	1,804,661	6,292,660
Total expenses (B)		3,978,054	28,181,190
Profit before tax		271,814	250,886
Tax expense:			
- Current tax		68,626	–
- Deferred tax		-7,774	2,260
		60,852	2,260
Profit for the year		210,962	248,625
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined employee benefit plans		–	–
Fair value changes on Equity Instruments carried at fair value through OCI;		–	–
Tax impact of items that will not be reclassified to statement of profit and loss		–	–
Total comprehensive income for the year		210,962	248,625
Earnings per equity share			
(1) Basic		0.00	0.00
(2) Diluted		0.00	0.00
Nominal value of equity shares		1	1

Significant accounting policies 1, 2 & 3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per report of even date
For K. Ray & Co.
Chartered Accountants
 FRN: 312142E

Sd/-
Supratim Roychoudhury
Partner
 M. No.: 066040

Date : May 30, 2018
 Place : Kolkata

For and on behalf of the Board
 Sd/-
Goutam Bose
Managing Director

Sd/-
Amalesh Sadhu
CFO
 Date : May 30, 2018
 Place : Kolkata

Sd/-
Alok Kumar Das
Director

Sd/-
Bhagyashree Hirawat
CS

Cash Flow Statement for the year ended 31 March 2018

Particulars	Year ended 31st March,2018 Amount (Rs.)	Year ended 31st March,2017 Amount (Rs.)
Cash flow from/(used in) operating activities		
Profit before tax	2,71,814	2,50,886
Adjustment for:		
Depreciation and amortization	48,359	65,219
Gain on long term investments (other than trade)		
Fair value on change of equity instruments		
Operating profit before working capital changes	3,20,173	3,16,105
Movement in working capital:		
(Increase)/decrease in trade and other receivables	1,59,04,650	- 43,41,123
(Increase)/decrease in Loans & Advances	-26,48,328	6,44,55,904
(Increase)/decrease in Other Current Assets	4,52,36,877	-3,09,16,016
Increase/(decrease) in trade payable and other financial liabilities	-3,18,59,000	6,61,416
Increase/(decrease) in other current liabilities	-1,69,471	-3,95,818
(Increase)/decrease in Inventories	57,300	78,33,200
Cash generated/(used) in operations	2,68,42,201	3,76,13,668
Income tax paid	-70,122	—
Cash generated/(used) in operations (A)	2,67,72,079	3,76,13,668
Cash flow from/(used) investing activities		
(Increase)/decrease in Investments	-2,80,08,100	-4,96,61,400
Cash generated/(used) in investing activities (B)	-2,80,08,100	-4,96,61,400
Cash flow from/(used in) financing activities		
Cash generated/(used) in financing activities (C)	—	—
Net increase/(decrease) in cash and cash equivalents (A+B+C)	-12,36,021	-1,20,47,732
Cash and cash equivalent at beginning of year	23,13,422	1,43,61,154
Cash and cash equivalent at end of year	10,80,401	23,13,422
Net increase/(decrease) as disclosed above	-12,33,021	-1,20,47,732

Significant accounting policies 1, 2 & 3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per report of even date attached

For **K. Ray & Co.**

Chartered Accountants

FRN: 312142E

Sd/-

Supratim Roychoudhury

Partner

M. No.: 066040

Date : May 30, 2018

Place : Kolkata

For and on behalf of the Board

Sd/-

Goutam Bose

Managing Director

Sd/-

Alok Kumar Das

Director

Sd/-

Amalesh Sadhu

CFO

Date : May 30, 2018

Place : Kolkata

Sd/-

Bhagyashree Hirawat

CS

Statement of changes in equity for year ended 31 March 2018**A Equity**

Particulars	Amount (Rs.)
Balance as at 1 April 2016	132,844,740
Changes in equity share capital during the year	-
Balance as at 31 March 2017	132,844,740
Changes in equity share capital during the year	-
Balance as at 31 March 2018	132,844,740

B Other Equity

Particulars	Reserves and Surplus			Other Comprehensive Income Equity instrument fair value (Rs.) (Rs.)	Total (Rs.)
	Securities Premium (Rs.)	General Research (Rs.)	Retained Earnings (Rs.)		
Balances at 1 April 2016	3,000,000	99,356,857	14,785,744	117,142,601	
Profit for the year	-	-	248,625	-	248,625
Other Comprehensive Income for the year	-	-	-	-	-
Prior year tax adjustment	-	-	-	-	-
Transfer from OCI to retained earnings	-	-	-	-	-
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-
Balance at 31 March 2017	3,000,000	99,356,857	15,034,369		117,391,225
Profit for the year	-	-	210,962	-	210,962
Other Comprehensive Income for the year	-	-	-	-	-
Prior year tax adjustment	-	-	1,503	-	1,503
Transfer from OCI to retained earning	-	-	-	-	-
Tax impact of items not classified to statement of profit and loss	-	-	-	-	-
Balance at 31 March 2018	3,000,000	99,356,857	15,246,834		117,603,690

Significant accounting policies 1, 2 & 3

The accompanying notes form an integral part of the standalone Ind AS financial statements

As per report of even date

For **K. Ray & Co.**

Chartered Accountants

FRN: 312142E

Sd/-

Supratim Roychoudhury

Partner

M. No.: 066040

Date : May 30, 2018

Place : Kolkata

For and on behalf of the Board

Sd/-

Goutam Bose

Managing Director

Sd/-

Alok Kumar Das

Director

Sd/-

Amalesh Sadhu

CFO

Date : May 30, 2018

Place : Kolkata

Sd/-

Bhagyashree Hirawat

CS

Notes to the standalone financial statements for the year ended 31 March 2018

1 Corporate information

Khoobsurat Limited ("the Company") is a widely held limited Company having its registered office at 3B, Lal Bazar Street, Air RNM House, Kolkata-700001. The activities of the company includes trading of Textiles and Garments and Investment activities and other related activities of capital market as well as commodity Market.

2 Basis of preparation of financial statements

These financial statements, for the year ended 31 March 2018 and 31 March 2017 are prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read with relevant rules issued thereunder.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

3.01 Functional and presentation currency

Items included in the financial statements of Company are measured using the currency of the primary economic environment in which the Company operates ("the functional currency"). Indian rupee is the functional currency of the Company.

3.02 First-time adoption of Ind AS

Ind AS 101 requires that all Ind AS effective for the first Ind AS financial statements, be applied consistently and retrospectively for all fiscal years presented. However, this standard has some exception and exemption to this general requirement in specific cases. The application of relevant exception and exemption are:

"Exceptions to retrospective application of "other Ind AS"

- a) Estimates: An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is an objective evidence that those estimates were in error.
- b) Ind AS 109-Financial Instruments (Derecognition of previously recognised financial assets / financial liabilities): An entity shall apply the derecognition requirements in Ind AS 109 in financial instruments prospectively for transactions occurring on or after the date of transition. The Company has applied the derecognition requirements prospectively.
- c) Ind AS 109-Financial Instruments (Classification and measurement financial assets): Classification and measurement shall be made on the basis of facts and circumstances that exist at the date of transition to Ind AS. The Company has evaluated the facts and circumstances existing on the date of transition to Ind AS for the purpose of classification and measurement of financial assets and accordingly has classified and measured the financial assets on the date of transition.

" Exemptions from retrospective application of "Ind AS"

- a) Ind AS 40 Investment Property :If there is no change in the functional currency an entity may elect to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the date of transition.
- b) "Ind AS 27 Separate financial statements: An entity is required to account for its investments in subsidiaries, joint ventures and associates either:"(a) at cost; or"(b) in accordance with Ind AS 109. Such cost shall be cost as per Ind AS 27 or deemed cost. The deemed cost of such an investment shall be its fair value on the date of transition to Ind AS or Previous GAAP carrying amount at that date. The Company has elected to measure its investment in subsidiaries at deemed cost being carrying value as previous GAAP."
- c) Ind AS 17 Leases: An entity shall determine based on facts and circumstances existing at the date of transition to Ind AS whether an arrangement contains a Lease and when a lease includes both land and building elements, an entity shall assess the operating lease. The Company has used this exemption and assessed all arrangements based on conditions existing as at the date of transition.
- d) Ind AS 109-Financial Instruments: Ind AS 109 permits an entity to designate a financial liabilities and financial assets (meeting certain criteria) at fair value through profit or loss. A financial liability and financial asset shall be designated at fair value through profit or loss, on the basis of facts and circumstances that exist at the date of transition.

3.03 Use of estimates

The preparation of financial statements in conformity of Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, the disclosures of contingent assets and contingent liabilities at the date of financial statements, income and expenses during the period. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in future periods which are affected.

Application of accounting policies that require critical accounting estimates and assumption having the most significant effect on the amounts recognised in the financial statements are:

Valuation of financial instruments
 Valuation of derivative financial instruments
 Useful life of property, plant and equipment
 Useful life of investment property
 Provisions
 Recoverability of trade receivables
 Summary of significant accounting policies

3.04 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

3.05 Fair value measurement

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

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

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

The Company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions

Financial instruments (including those carried at amortised cost)

3.06 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Revenue from sale of goods

Revenue from domestic sales is recognised when goods are delivered to the customer and the title of goods passes to the customers.

Interest and dividend income

The interest and dividends are recognised only when no uncertainty as to measurability or collectability exists. Interest on fixed deposits (if any) is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

3.07 Inventories:

Traded goods and stores and spares are valued at the lower of cost or net realisable value. Cost is determined on FIFO basis.

3.08 Foreign currency transactions and translation (if any)

- i) Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated in functional currency at closing rates of exchange at the reporting date.
- ii) Exchange differences arising on settlement or translation of monetary items recognised in statement of profit and loss.
- iii) The Company is primarily engaged in business of imports and exports of diamonds and jewellery. It has availed foreign currency denominated credit facilities for the purpose of its export and import business. As the Company enters into business transactions based on the prevailing exchange rate, forward premium and other related factors, the gain/(loss) on this account is considered to be an integral part of the operations of the Company in accordance with industry practice and to avoid distortion of operating performance.

3.09 Taxes

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The Company determines the tax as per the provisions of Income Tax Act 1961 and other rules specified thereunder.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided in full using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.10 a) Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and where applicable accumulated impairment losses. Property, plant and equipment and capital work in progress cost include expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Subsequent Cost

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is de-recognised and charged to the statement of Profit and Loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in the Statement of Profit and Loss.

b) Intangible assets

"Intangible assets are stated at cost less accumulated amortisation and impairment loss.

The system software which is expected to provide future enduring benefits is capitalised. The capitalised cost includes license fees and cost of implementation/system integration."

Depreciation and amortisation

The depreciation on tangible assets except windmill is calculated on WDV method over the estimated useful life of assets prescribed by the Schedule II to the Companies Act 2013 as follows:

Asset class	Useful life as per management
Plant and machinery:	15 years
Office equipment	5 years
Computers	3 years
Vehicles	8 years
Furniture and fixtures	10 years
Electrical installation	10 years
Office premises	60 years
Residential premises	60 years
Factory Building	30 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Derecognition of assets

An item of property plant & equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income statement when the asset is derecognised.

3.11 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The contingent liability is not recognised in books of account but its existence is disclosed in financial statements.

3.12 Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or Company's assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

3.13 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits

will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

3.14 Financial instruments

Initial recognition

The company recognise the financial asset and financial liabilities when it becomes a party to the contractual provisions of the instruments. All the financial assets and financial liabilities are recognised at fair value on initial recognition, except for trade receivable which are initially recognised at transaction price. Transaction cost that are directly attributable to the acquisition of financial asset and financial liabilities, that are not at fair value through profit and loss, are added to the fair value on the initial recognition.

Subsequent measurement

(A) Non derivative financial instruments

(i) Financial Assets at amortised cost

A financial assets is measured at the amortised cost if both the following conditions are met :

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

(ii) Financial Assets at Fair Value through Profit or Loss/Other comprehensive income

Instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

If the company decides to classify an instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

(iii) Financial liabilities

The measurement of financial liabilities depends on their classification, as described below:

(a) Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method.

(b) Trade & other payables

After initial recognition, trade and other payables maturing within one year from the Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition

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

3.15 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash.

3.16 Employee Benefits

The payment of Gratuity Act, 1972 is not applicable to the company as the number of permanent employees in the company are below the requisites limit defined in the act at any point of the time during the Financial year and none of the Employee having continued service of more than 5 years.

3.17 Lease

Operating lease: "Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payments / revenue under operating leases are recognised as an expense / income on accrual basis in accordance with the respective lease agreements."

3.18 Earnings per share

Basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year, by the weighted average number of equity shares outstanding during the year.

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**4 a) Property, Plant and Equipment**

Particulars	Data Processing Equipment (Rs.)	Furnitures (Rs.)	Total (Rs.)
Gross Block (At cost)			
As at 01 April 2016	8,999,021	834,999	9,834,020
Additions	-	-	-
Deductions/Adjustments	-	-	-
As at 31 March 2017	8,999,021	834,999	9,834,020
Additions	-	-	-
Deductions/Adjustments	-	-	-
As at 31 March 2018	8,999,021	834,999	9,834,020
Depreciation/amortisation			
Up to 01 April 2016	8,549,072	582,994	9,132,066
For the year	-	65,219	65,219
Deductions/Adjustments	-	-	-
Up to 31 March 2017	8,549,072	648,213	9,197,285
For the year	-	48,359	48,359
Deductions/Adjustments	-	-	-
Up to 31 March 2018	8,549,072	696,572	9,245,644
Net Block			
At 01 April 2016	449,949	252,005	701,954
At 31 March 2017	449,949	186,786	636,735
At 31 March 2018	449,949	138,427	588,376

Note :

1. The Company used carrying amount as per previous GAAP as on 1 April 2016 in its opening Ind AS statement of financial position as deemed cost for an item of property, plant and equipment. Following are the disclosure with regard to its gross block value, accumulated depreciation and net block value as per previous GAAP.

Particulars	1-Apr-16		
	Original Cost	Accumulated Depreciation	Net Block
Data Processing Equipment	8,999,021	8,549,072	449,949
Furniture	834,999	582,994	252,005
	2,857,805	2,608,422	249,383

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**5 Inventories**

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Traded goods:			
- Shares	587,500	644,800	8,478,000
Total	587,500	644,800	8,478,000

6 Current Investments:

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
A. Investments in equity instruments			
In Un-quoted measured at FVOCI:			
As per Annexure	111,128,200	83,120,100	33,458,700
Total	111,128,200	83,120,100	33,458,700

7 Trade Receivables

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
(Unsecured, considered good)			
Considered good	7,457,810	23,362,460	19,021,337
Total	7,457,810	23,362,460	19,021,337

8 a) Cash and Cash Equivalents

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Balances with banks	560,404	275,828	14,223,047
Cash on hand	512,499	2,020,234	120,747
Total	1,072,903	2,296,061	14,343,793

8 b) Bank balances other than (a) above

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Balance with banks more than three months	7,498	17,361	17,361
Total	7,498	17,361	17,361

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**9 Loans**

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
(Unsecured and considered good) Loans and Advances (Temporary Business Accommodation)	79,757,196	77,108,868	141,564,772
Total	79,757,196	77,108,868	141,564,772

10 Other Current Assets

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Unsecured, Considered good Advances recoverable in cash or in kind or for value to be received	56,118,496.00	100,615,818.00	69,899,563.00
Advances to Employee	—	—	25,000
Security deposits	—	—	80,000
Total	56,118,496	100,615,818	70,004,563.00

11 Income Tax Assets (Net)

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Taxes paid (net of provision)	1,341,635	2,081,190	1,776,429
Total	1,341,635	2,081,190	1,776,429

12 Equity Share Capital

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Authorised: 15,00,00,000 (as at 31 March 2017: 15,00,00,000; of Rs. 1/- each and as at 1 April 2017: 1,50,00,000 of Rs. 1/- each) of Equity shares of Rs.1 each	150,000,000 150,000,000	150,000,000 150,000,000	150,000,000 150,000,000
Issued, subscribed and paid up: 13,28,44,740 (as at 31 March 2017: 13,28,44,740; of Rs. 1/- each and as at 1 April 2017: 1,32,84,474 of Rs. 1/- each) of Equity shares of Rs.1 each	132,844,740 132,844,740	132,844,740 132,844,740	132,844,740 132,844,740
Total Equity	132,844,740	132,844,740	132,844,740

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**a) Details of reconciliation of the number of shares outstanding:**

Particulars	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of shares	Rs	No. of shares	Rs	No. of shares	Rs
Equity Shares:						
Shares outstanding at the beginning of the year (refer note (d) below)	132844740	132,844,740	132844740	132,844,740	132844740	132,844,740
Add: Shares issued during the year	—	—	—	—	—	—
Less: Shares cancelled on consolidation	—	—	—	—	—	—
Shares outstanding at the end of the year	132844740	132,844,740	132844740	132,844,740	132844740	132,844,740

b) Terms/ rights attached to equity shares

The Company has only one class of equity shares. Each holder of equity shares is entitled to one vote per share. The dividend proposed, if any by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of shares in the company held by each shareholder holding more than 5 percent:

Name of Shareholder	As at 31 March 2018		As at 31 March 2017		As at 1st April 2016	
	No. of shares	%	No. of shares	%	No. of shares	%
ELLA FINETEX CO. PRIVATE LIMITED.	10629750	8.00%	10629750	8.00%	10629750	8.00%
GLOBAL CAPITAL MARKET & INFRASTRUCTURES LIMITED	—	—	—	—	8655000	6.52%

d) The Company has neither issued any shares for consideration other than cash or as bonus shares nor any shares issued had been bought back by the Company during the last five years.

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**13 Other Equity**

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Equity instruments through other comprehensive income			
Balance as per last financial statement	—	—	—
Addition during the year (net of tax)	—	—	—
Transfer to retained earning realised (gain)/Loss	—	—	—
Closing balances	—	—	—
Retained earnings			
Balance as at beginning of the year	15,034,369	14,785,744	14,415,960
Profit for the year	210,962	248,625	397,312
Prior year tax adjustment	1,503	—	125,472
Transfer from Other Comprehensive income	—	—	—
Remeasurements of the Inventory at net Fair Market Value	—	—	-153,000
Total retained earning	15,246,834	15,034,369	14,785,744
Other reserves			
General Reserve	99,356,857	99,356,857	99,356,857
Add: Premium received on issue of equity shares	—	—	—
	99,356,857	99,356,857	99,356,857
Special Reserve	3,000,000	3,000,000	3,000,000
Add: Transfer from Surplus	—	—	—
	3,000,000	3,000,000	3,000,000
	102,356,857	102,356,857	102,356,857
Total	117,603,691	117,391,226	117,142,601

14 Deferred tax liabilities (Net)

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Deferred tax liabilities			
Opening Deferred Tax	47,072	54,846	178,058
Adjustments during the Year	—	—	-125,472
Total	47,072	54,846	52,586

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**15 Trade Payables**

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Financial Liabilities at amortised cost			
Trade payables	7,467,726	39,326,726	38,665,310
Total	7,467,726	39,326,726	38,665,310

The Company has not received any information from its suppliers regarding their registration under the 'Micro, Small and Medium Enterprises Development Act, 2006'. Hence, interest if, any payable as required under Act has not been provided and the information required to be given in accordance with Section 22 of the said Act, is not ascertainable and hence, not disclosed.

16 Other Current Liabilities

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Statutory dues payable	2,750	11,651	17,321
Expenses Payable:			
Audit Fees Payable	30,000	95,426	41,888
Others Payable	63,635	158,779	602,465
Total	96,385	265,856	661,674

17 Revenue From Operations

Particulars	Current Year 2017-2018 (Rs.)	Previous Year 2016-2017 (Rs.)
Sales of Traded goods:		
- Textile	—	11,723,030
- Garments	—	4,284,918
- Shares & Securities	—	4,576,526
Total	—	20,584,474

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**18 Other Income**

Particulars	Current Year 2017-2018 (Rs.)	Previous Year 2016-2017 (Rs.)
Interest income:		
On income tax refund from others	4,249,868	7,153,247
Custom Drawback	—	669,327
Discount	—	5,397
Total	4,249,868	7,847,601

19 Purchase of Traded Goods

Particulars	Current Year 2017-2018 (Rs.)	Previous Year 2016-2017 (Rs.)
Purchase of traded goods:		
Textile	—	11,623,490
Total	—	11,623,490

20 Changes In Inventories of Finished Goods/Traded Goods and Work-In-Progress

Particulars	Current Year 2017-2018 (Rs.)	Previous Year 2016-2017 (Rs.)
a) Changes in inventories of finished goods / traded goods		
Opening stock of traded goods:		
Shares & Securities	644,800	8,478,000
Total (a)	644,800	8,478,000
Less: Closing stock of finished goods / traded goods:		
Shares & Securities	587,500	644,800
Total (b)	587,500	644,800
Total (a+b)	57,300	7,833,200

21 Employee Benefits Expense

Particulars	Current Year 2017-2018 (Rs.)	Previous Year 2016-2017 (Rs.)
Salaries, bonus, commission and allowances	1,469,505	2,137,352
Director Remunerations	246,042	74,967
Staff welfare expenses	352,187	154,302
Total	2,067,734	2,366,621

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**22 Other Expenses**

Particulars	Current Year 2017-2018 (Rs.)	Previous Year 2016-2017 (Rs.)
Depository, Exchange & Other Regulatory Fees	394,576	461,150
Electricity charges	–	38,573
Communication expenses	86,284	90,941
Printing and stationery	147,919	107,275
Travelling and conveyance expenses		
- Visa Charges	–	206,000
- Textile (Conveyance Charges)	–	6,600
- Others	322,474	212,029
Legal and professional fees	9,555	63,900
Registrar Fees	77,625	93,491
Rent, Leave Licence charges	168,000	240,000
Filing Fees, rates and taxes	14,555	12,354
Repairs and maintenance:		
- Machinery	3,500	5,675
- Others	99,888	89,791
Postal & Courier Charges	127,520	90,793
Colouring & Dying charges	–	222,932
Auditor's remuneration:		
- for Statutory audit Fees	30,000	28,625
- for Other services	750	29,038
Donations	–	100,000
Director Meeting Fees	32,000	30,000
Fabric & Yarn Purchase	–	3,363,631
Accessory expenses	–	33,971
Bank charges and commission	15,565	3,644
Advertisement expenses	12,863	14,101
Foreign Exchange Gain/Loss	-26,281	160,515
Freight, clearing and forwarding charges	–	64,690
Cutting Making, Finishing Chages	–	134,590
Sundry balance written off back	11	–
Packing expenses	–	184,752
General Office expenses	287,858	166,827
Knitting Charges	–	36,772
Total	1,804,661	6,292,660

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018

Annexure

Particulars	As at 31 March 2018 (Rs.)		As at 31 March 2017 (Rs.)		As at 1 April 2016 (Rs.)	
	Quantity	Value	Quantity	Value	Quantity	Value
Un-Quoted						
Agradooti Vanijya Private Limited	36260	3,626,000	1492	149,200	74452	7,445,200
Access Vyapar Pvt Ltd	-	-	91844	9,184,400	-	-
Alcoa Trading Pvt Ltd	-	-	10000	5,000,000	-	-
Anuska Vanijya Pvt Ltd	12000	6,000,000	10000	5,000,000	-	-
Beau Mont Tradecom Pvt Ltd	32358	16,179,000	30766	15,383,000	7320	3,660,000
Blue Lagoon Vanijya Pvt Ltd	97647	9,764,700	108980	10,898,000	89980	8,998,000
Chello Commotrade Pvt Ltd	-	-	10000	5,000,000	-	-
Cincom Trading Pvt. Ltd.	13081	6,540,500	-	-	-	-
Glacier Tradelink Pvt.Ltd.	10160	2,540,000	-	-	-	-
Jayguru Commotrade Pvt Ltd	8100	4,050,000	9300	4,650,000	-	-
Jubilant Fin Tex Pvt Ltd	3500	350,000	1000	100,000	1000	100,000
Kathakali Vincom Pvt Ltd	10000	5,000,000	10000	5,000,000	-	-
Larica Trading Pvt Ltd	-	-	23400	11,700,000	13400	6,700,000
Matarani Commotrade Pvt Ltd	-	-	4000	2,000,000	4000	2,000,000
Pitti Holdings Pvt. Ltd.	4300000	43,000,000	-	-	-	-
Sadgati Trading Pvt Ltd	3000	1,500,000	690	345,000	690	345,000
Solux Telesolution	-	-	-	-	-	-
Sudarshan Builders Pvt Ltd	-	-	75	7,500	75	7,500
Tanaya Vincom Pvt. Ltd.	7750	3,875,000	-	-	-	-
Viacom Trade & Finance Pvt Ltd	17406	8,703,000	17406	8,703,000	8406	4,203,000
Grand Total		111,128,200		83,120,100		33,458,700

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**23 Financial Instruments**

Financial instrument by category

The carrying value and fair value of financial instrument by categories as of 31 March 2018 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and cash equivalents	1,072,903	-	-	1,072,903	1,072,903
Other bank balance	7,498	-	-	7,498	7,498
Trade receivables	7,457,810	-	-	7,457,810	7,457,810
Loans	79,757,196	-	-	79,757,196	79,757,196
Investments			111,128,200	111,128,200	111,128,200
Total	88,295,407	-	111,128,200	199,423,607	199,423,607
Liabilities:					
Trade and other payables	7,467,726	-	-	7,467,726	7,467,726
Total	7,467,726	-	-	7,467,726	7,467,726

The carrying value and fair value of financial instrument by categories as of March 31, 2017 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and cash equivalents	2,296,061	-	-	2,296,061	2,296,061
Other bank balance	17,361	-	-	17,361	17,361
Trade receivables	23,362,460	-	-	23,362,460	23,362,460
Loans	77,108,868	-	-	77,108,868	77,108,868
Investments	-	-	83,120,100	83,120,100	83,120,100
Total	102,784,750	-	83,120,100	185,904,850	185,904,850
Liabilities:					
Trade and other payables	39,326,726	-	-	39,326,726	39,326,726
Total	39,326,726	-	-	39,326,726	39,326,726

The carrying value and fair value of financial instrument by categories as of April 1, 2016 were as follows

Particulars	at amortised cost (Rs.)	at fair value through profit and loss (Rs.)	at fair value through OCI (Rs.)	Total Carrying value (Rs.)	Total fair value (Rs.)
Assets:					
Cash and cash equivalents	14,343,793	-	-	14,343,793	14,343,793
Other bank balance	17,361	-	-	17,361	17,361
Trade receivables	19,021,337	-	-	19,021,337	19,021,337
Loans	141,564,772	-	-	141,564,772	141,564,772
Investments	-	-	33,458,700	33,458,700	33,458,700
Total	174,947,263	-	33,458,700	208,405,963	208,405,963
Liabilities:					
Trade and other payables	38,665,310	-	-	38,665,310	38,665,310
Total	38,665,310	-	-	38,665,310	38,665,310

25 Fair value hierarchy

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

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

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

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2018:

Particulars	As at 31 March 2018 (Rs.)	Fair value measurement at end of the reporting year using		
		Level I (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)
Assets /Liabilities measured at fair value				
Financial Assets:				
Current investments	111,128,200	-	-	111,128,200

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 31 March 2017:

Particulars	As at 31 March 2017 (Rs.)	Fair value measurement at end of the reporting year using		
		Level I (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)
Assets / Liabilities measured at fair value				
Financial Assets:				
Current investments	83,120,100	-	-	83,120,100

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of 1 April 2016:

Particulars	As at 31 March 2016 (Rs.)	Fair value measurement at end of the reporting year using		
		Level 1 (Rs.)	Level 2 (Rs.)	Level 3 (Rs.)
Assets / Liabilities measured at fair value				
Financial Assets:				
Current investments	33,458,700	-	-	33,458,700

There have been no transfers among Level 1, Level 2 and Level 3 during the period.

The management assessed that cash and cash equivalents, Trade receivable and other financial asset, trade payables and other financial liabilities approximate their carrying amount largely due to short term maturity of these instruments.

26 Financial risk management objectives and policies

The risk management policies of the Company are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Management has overall responsibility for the establishment and oversight of the Company's risk management framework.

In performing its operating, investing and financing activities, the Company is exposed to the Credit risk, Liquidity risk and Market risk.

Carrying amount of financial assets and liabilities:

The following table summaries the carrying amount of financial assets and liabilities recorded at the end of the period by categories:

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Financial assets			
Current investment	111,128,200	83,120,100	33,458,700
Cash and cash equivalent	1,072,903	2,296,061	14,343,793
Bank balances other than above	7,498	17,361	17,361
Trade receivables	7,457,810	23,362,460	19,021,337
Loans	79,757,196	77,108,868	141,564,772
Other financial assets	-	-	-
At end of the year	199,423,607	185,904,850	208,405,963
Financial liabilities			
Trade Payable	7,467,726	39,326,726	38,665,310
At end of the year	115,592,154	114,976,336	112,300,336

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and derivative financial instruments.

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

Particulars	As at 31 March 2018 (Rs.)	As at 31 March 2017 (Rs.)	As at 1 April 2016 (Rs.)
Trade receivables:			
Less than 90 days	-	7,600,000	16,097,720
90 to 180 days	-	-	2,792,686
Over 180 days	7,457,810	15,762,460	130,931
Total	7,457,810	23,362,460	19,021,337

In the opinion of management, trade receivable, Financial assets, Cash and cash equivalent, Balance with Bank, Loans and other financial assets have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

The Company has not recognised any loss allowance as the Company expects that there is no credit loss on trade receivables.

27 Classification and presentation of assets and liabilities

Under previous GAAP, the Company was not required to present its assets and liabilities bifurcating between financial assets / financial liabilities and non financial assets / non financial liabilities. Under Ind AS, the Company is required to present its assets and liabilities bifurcating between financial assets / financial liabilities and non financial assets / non financial liabilities. Accordingly, the Company has classified and presented its assets and liabilities.

28 The Ministry of Corporate Affairs (MCA) vide its notification in the Official Gazette dated February 16, 2015 notified the Indian Accounting Standards (Ind AS) applicable to certain classes of companies. Ind AS would replace the existing Indian GAAP prescribed under section 133 of The Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. For GCM Commodity & Derivatives Limited, Ind AS would be applicable for the accounting period beginning April 1, 2017, with a transition date of April 1, 2016.

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**A Reconciliation of Balance Sheet as at 01 April 2016**

Particulars	Notes	As at April 01, 2016			As at March 31, 2017		
		IGAAP (Rs.)	Ind AS (Rs.)	Change (Rs.)	IGAAP (Rs.)	Ind AS (Rs.)	Change (Rs.)
ASSETS							
Non-Current Assets							
Property, Plant and Equipment		701,954	701,954	-	636,735	636,735	-
Income Asset Tax (Net)		1,776,429	1,776,429	0	2,081,190	2,081,190	0
Total Non-Current Assets		55,764,424	2,478,383	0	55,726,072	2,717,925	0
Current Assets							
Inventories		8,631,000	8,478,000	-153,000	535,800	644,800	109,000
Financial Assets							
(i) Current Investments		33,458,700	33,458,700	-	83,120,100	83,120,100	-
(ii) Trade receivables		19,021,337	19,021,337	-	23,362,460	23,362,460	0
(iii) Cash and cash equivalents		14,343,793	14,343,793	0	2,296,061	2,296,061	0
(iv) Bank balances other than (ii) above		17,361	17,361	-0	17,361	17,361	-0
(v) Loans		141,564,772	141,564,772	-	77,108,868	77,108,868	-
Other Current Assets		70,004,563	70,004,563	-	100,615,818	100,615,818	-
Total Current Assets		223,742,854	286,888,526	-153,000	225,879,894	287,165,468	109,000
TOTAL ASSETS		279,507,278	289,366,909	-153,000	281,605,966	289,883,393	109,000
EQUITY AND LIABILITIES							
EQUITY							
(a) Equity share capital		132,844,740	132,844,740	-	132,844,740	132,844,740	-
(b) Other equity		117,170,126	117,142,601	-27,526	117,194,955	117,391,226	196,271
Total Equity		250,014,866	249,987,341	-27,526	250,039,695	250,235,966	196,271
LIABILITIES							
Non-Current Liabilities							
Financial liabilities		-	-	-	-	-	-
Deferred Liability		178,058	52,586	-125,474	142,117	54,846	-87,271
Total Current Liabilities		178,058	52,586	-125,474	142,117	54,846	-87,271
Current Liability							
Financial Liabilities							
(i) Trade Payables		38,665,310	38,665,310	-	39,326,726	39,326,726	-
Other Current Liabilities		661,674	661,674	-	265,856	265,856	-
Total Current Liabilities		39,326,984	39,326,984	-	39,592,582	39,592,582	-
TOTAL EQUITY & LIABILITIES		289,519,908	289,366,909	-153,000	289,774,394	289,883,395	109,000

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018**29 Taxation****a) Current Tax**

Current Tax is calculated at the amount expected to be paid to the authorities in accordance with the Income-Tax, 1961.

b) Deferred Tax

During the year, the Company has accounted for deferred tax in accordance with Indian Accounting Standard 12 – “Income Tax” notified under section 133 of Companies Act, 2013 (Companies (Indian Accounting Standards) Rules, 2015), the Company has provided for deferred tax asset (net) in the Statement of Profit and Loss on account of timing difference.

Additional deferred tax assets has been recognised corresponding to the adjustments to retained earnings / profit and loss as a result of Ind AS Implementation.

30 Micro Enterprises and Small Enterprises

There are no dues to Micro and Small Enterprises as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006.

The above information regarding Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

31 Related Party Disclosure

Related party disclosure as required by Indian Accounting Standard 24 - “Related Party Disclosure” notified under section 133 of Companies Act, 2013 (Companies (Indian Accounting Standards) Rules, 2015) are given below:

i Related party and their relationships:**a) Related parties during the year**

Names of Related parties	Nature of relationship
NIL	NIL

b) Key Management Personnel (KMP)

Goutam Bose	:	Managing Director
Alok Kumar Das	:	Director
Bhagyashree Hirawat	:	Company Secretary
Amalesh Sadhu	:	Chief Financial Officer

Notes to the standalone Ind AS financial statements for the year ended 31 March 2018

- c) Promoter of Company
 ALOK KUMAR DAS
 KARIKISH VYAPAAR PRIVATE LIMITED
 BHAWANI FREIGHT AND FORWARDER PRIVATE LIMITED
 ANANT PROPERTIES PVT. LTD.
 GLOBE STOCKS AND SECURITIES LTD.
- b) Other Enterprises over which KMP and relatives of such personnel exercise significant influence/Director/KMP

NA : NA

ii Material Transactions with Related Parties during the year ended 31st March 2018

Nature of Transactions	KMP	Promoters	Relatives of KMPs	Others	Total
Managerial Remuneration Paid	246,042	-	-	-	246,042
Remuneration Paid to KMP					
a) Company Secretary	180,000	-	-	-	180,000
b) CFO	319,500	-	-	-	319,500
Unsecured Loan Given /Taken	-	-	-	-	-

iii Disclosure of Balance of with Related Parties having Material Transaction

Particulars	Closing Balance as on March 31, 2018	Closing Balance as on March 31, 2017
NA	NA	NA

32 Balances in the accounts of trade receivables, loans and advances, trade payables and other current liabilities are subject to confirmation / reconciliation, if any. The management does not expect any material adjustment in respect of the same effecting the financial statements on such reconciliation / adjustments.

33 Earnings per share

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	As at 31 March 2018	As at 31 March 2017
Profit attributable to equity holders of the parent for basic earnings (Rs.)	210,961.69	248,625.45
Weighted average number of equity shares for basic and diluted earning per share	132,844,740	132,844,740
Face value per share	1	1
Basic earning per share	—	—
Diluted earning per share	—	—

34 Events after the end of the reporting year

No subsequent event has been observed which may required an adjustment to the statement of financial position.

35 In the opinion of the Director, current assets, loans, advances and deposits are approximately of the value stated, if realised in the ordinary course of business and are subject to confirmation.

Khoobsurat Limited

CIN : L23209WB1982PLC034793

Regd. Office : 7-A, Bentinck Street, 3rd Floor, Kolkata-700 001

Tel : +91 33 4061 7068, Email : khoobsurat.kolkata@gmail.com; Website : www.khoobsuratltd.com

ATTENDANCE SLIP

Regd. Folio / DP ID & Client ID		
	Name and Address of the Shareholder	

1. I hereby record my presence at the 36th Annual General Meeting of the Company, to be held on Thursday, 27th September 2018 at 9.00 A.M. at Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-700 031 and at any adjournment thereof.
2. Signature of the Shareholder/Proxy Present
3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.
4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Please hand it over at the Attendance Verification Counter at the Entrance of the Meeting Venue

PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING

ELECTRONIC VOTING PARTICULARS

(1) EVS (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under under	(4) Bank Account No.
			(See Note No.1)

Notes:

1. Where Bank Account Number is not registered with the Depositories or Company, please enter your User Id as mentioned in column (2) above.
2. Please read the Instructions printed under the Item No. 30 to the Notice dated 30th May 2018 of the 36th Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 24.09.2018 and ends at 5.00 P.M. on 26.09.2018, the e-voting module shall be disabled by CDSL for voting thereafter.

No gift of any nature will be distributed at the Annual General Meeting

Khoobsurat Limited

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Regd. Office : 7-A, Bentinck Street, 3rd Floor, Kolkata-700 001

Tel : +91 33 4061 7068, Email : khoobsurat.kolkata@gmail.com; Website : www.khoobsuratltd.com

Form No. MGT – 11, PROXY FORM / BALLOT FORM

(Pursuant to the section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration), 2014)

Name of the Member _____

Registered Address _____

Folio No. / DP/Client ID _____ Email ID _____

I/We, members of _____ Shares of Global Capital Markets Ltd., hereby appoint -

1. _____ having email Id _____ Signature _____ or failing him
2. _____ having email Id _____ Signature _____ or failing him
3. _____ having email Id _____ Signature _____

As my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company, to be held on Thursday, 27th September 2018 at 9.00 AM and at any adjournment thereof in respect of such resolution(s) as are indicated below

Ordinary Business :		For	Against
1.	Adoption of Financial Statements for the year ended March 31, 2018		
Special Business :			
2.	Appointment of M/s. DBS & Associates, Chartered Accountants, Mumbai (FRN - 018627N) as Statutory Auditors of the Company for the term of 5 years.		
3.	Appointment of Mr. Alok Kr. Das as Non-Executive Director of the Company for the period of 5 years		

Signed on this _____ day of _____ 2018

Signed by the Member _____

Signature of Proxy _____

Affix
Revenue
Stamp
1/-

Notes :

1. This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Annual General Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 35th Annual General Meeting.

Location Plan of Venue of AGM of M/s. Khoobsurat Limited



Khoobsurat Limited

CIN : L23209WB1982PLC034793

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Tel : +91 33 4061 7068, Email : khoobsurat.kolkata@gmail.com; Website : www.khoobsuratltd.com

ATTENDANCE SLIP

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE, MCX-SX & CSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., Phone no. and E-mail id in our records. We would also like to update your current signature records in our system to have better services in future.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No.	:		
PAN No.	:		
E-mail ID	:		
Telephone Nos. with STD Code	:	+91	
Name and Signatures	:	1.	
		2.	
		3.	

Thanking you,

By order of the Board

For **Khoobsurat Limited**

S/d-

Goutam Bose

(DIN : 02504803)

Managing Director



If undelivered, please return to :

KHOOBSURAT LIMITED
7A, Bentinck Street, Room No. 310
3rd Floor, Kolkata-700 001

Dataprocess : 9830133385