



Annual Report

2012-13

KOTHARI WORLD FINANCE LTD.
28TH ANNUAL GENERAL MEETING
ON FRIDAY, 27TH SEPTEMBER 2013

KOTHARI WORLD FINANCE LTD

ANNUAL REPORT 2012-2013

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BOARD OF DIRECTORS

Mrs. Liza Kothari	Managing Director
Mr. Nitesh Kothari	Director
Mr. Manohar Mhatre	Director
Mr. Jeetendra Wala	Director
Mr. Jayesh N Gandhi	Director
Ms Meena Dalvi	Director

BOARD COMMITTEES

Audit Committee		Remuneration Committee	
Mr. Jeetendra Wala	Chairman	Mr. Jeetendra Wala	Chairman
Mr. Jayesh H Gandhi	Member	Mr. Jayesh H Gandhi	Member
Ms Meena Dalvi	Member	Ms Meena Dalvi	Member
Mr. Nitesh Kothari	Member	Mr. Nitesh Kothari	Member

Shareholder/Investors Grievance Committee	
Mr. Nitesh Kothari	Chairman
Mr. Manohar Mhatre	Member

REGISTERED OFFICE

KOTHARI WORLD FINANCE LIMITED
121/C, Mittal Tower, 12th Floor,
Nariman Point, Mumbai 400021

SHARE TRANSFER AGENT

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED
Unit 1, Luthra Industrial Premises
Safeed Pul, Andheri Kurla Road
Ahdheri East, Mumbai-400072

KOTHARI WORLD FINANCE LTD

AUDITORS

Shahade & Associates,
Chartered Accountants,
Gautam, Plot No. 29, Road No. 2,
Sion (East), Mumbai-400 022

28th Annual General Meeting, on Friday 27th September, 2013 at 11.30am at company registered office address,
121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai 400021

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 28th ANNUAL GENERAL MEETING OF THE MEMBERS OF KOTHARI WORLD FINANCE LIMITED WILL BE HELD ON FRIDAY, 27th SEPTEMBER 2013 AT 121/C, MITTAL TOWER, 12TH FLOOR, NARIMAN POINT, MUMBAI – 400021 AT 11.30 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as of 31st March, 2013 and the profit and loss account for the year ended on that date together with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nitesh Kothari who retires by rotation and being eligible offers himself for reappointment.
3. To appoint an Auditor to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

FOR: AND ON BEHALF OF THE BOARD OF DIRECTOR

Sd/-

**MRS. LIZA KOTHARI
MANAGING DIRECTOR**

DATE : 29th July 2013

PLACE: MUMBAI

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY IN ORDER TO BE EFFECTIVE SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Register of Members and share transfer books of the Company will remain closed from Friday 20th September, 2013 to Friday 27th September, 2013(both days inclusive).
3. The practice of distributing copies of Annual Reports at the Annual General Meeting has been discontinued as a measure of economy.
4. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, relating to the special business to be transacted at the Meeting is annexed hereto.
5. All documents referred in the accompanying Notice including the new set of Articles of Association are open for inspection at the Registered Office of the Company on all working days except Saturday between 11.00 a.m. and 1.00 p.m. up to the date of Annual General Meeting.
6. Members are requested to:
 - a) Intimate changes, if any, in their registered address at the earliest.
 - b) Furnish PAN with Income Tax Ward/Range/District to the Company.
 - c) Quote ledger folio nos. in all the correspondence with the Company and the Transfer Agent. In case shares are held in dematerialized mode, please quote the DP ID No. and client ID in all the correspondence.
 - d) Bring the copy of the Annual Report and the Attendance Slip with them at the Annual General Meeting.
 - e) Send the queries, if any, at least 7 (Seven) days in advance of the meeting so that the information can be made available at the meeting.

FOR: AND ON BEHALF OF THE BOARD OF DIRECTOR

Sd/-

**MRS. LIZA KOTHARI
MANAGING DIRECTOR**

DATE : 29th July 2013

PLACE: MUMBAI

KOTHARI WORLD FINANCE LTD

DIRECTORS' REPORT

THE MEMBERS OF KOTHARI WORLD FINANCE LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting their 28th Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2013.

Particulars	Year Ended 31-03-2013 Rs. In lacs	Year Ended 31-03-2012 Rs. In lacs
Total Income	107.22	165.87
Gross Operating Profit	61.35	53.26
Depreciation	15.59	9.77
Profit Before Tax	45.76	43.49
Provision for:		
• Current Tax	15.35	13.58
• Deferred Tax (Asset)	0.04	3.01
Profit After Tax	29.87	32.92
Transferred to statutory Reserve	5.97	6.58
Surplus available for appropriations	23.90	26.34
Profit/(Loss) brought forward from Previous year	83.50	57.16
Proposed Dividend	-	-
Tax on Dividend	-	-
Balance carried forward	107.40	83.50

DIVIDEND

Your Directors are unable to recommend the Dividend on Equity Shares, since the Company wants to plough back its Profit in view of current scenario.

REVIEW OF OPERATIONS

The total income of the Company for the year ended 31st March, 2013 was Rs 107.22 lacs as against 165.87 lacs reported as on 31st March, 2012.

FUTURE PROSPECTS

During the year under review, your company has given additional Godowns at Thangadh, near Rajkot on rental basis to Central Warehousing Corporation, Government of India Organization for a period 3 months and has started generating further income from the said premises. Your company has also acquired two properties one Factory Shed at Village Khadoli, Silvassa and another Godown Premises at Thane, Chitalsar Manpada with an total investment of Rs.2.81 crore. Out of the said two properties, Godown at Thane has started generating income of Rs.1.25 lacs per month. In the current financial year (2013-2014), your company has acquired a Jumbo Godown Shed at Bhiwandi of nearly 62000 square feet with an investment of approximately Rs.3.90 Crore. Your company is in the process of negotiating to give the said Jumbo Shed on Leave & License basis to private parties and if all goes according to the plan, the Jumbo Shed may generate substantial income in the coming year. Your company is further exploring the best opportunity to invest the funds at its disposal into real estate business and to generate income from such investment. During the year under review, your company has also generated income from trading in commodities and your directors are, therefore optimistic of a fairly good performance in the coming years.

TAX PROVISIONS

The Company has made adequate tax provisions under the provisions of Income Tax Act, 1961.

LISTING

The Equity Shares of the Company continues to be listed at Bombay Stock Exchange and trading in the shares have commenced with effect from Thursday June, 17th 2010 on the BSE vide notice no. 20100611-13 The scrip code number of the Equity shares of the Company on BSE is 511138. The trading in the Securities of the Company has been resumed in "T" group. The Company has paid up-to-date listing fees to the exchange.

KOTHARI WORLD FINANCE LTD

DEMATERIALIZATION

The Equity shares of the Company can be held in dematerialized form. The Company has signed the tripartite agreement with National Securities Depository Limited and Central Depository Services (India) Limited and existing Registrar & Transfer Agent for dematerialization of existing holding of the shareholders.

The International Securities Identification Number, allotted to the Company is INE988F01017. The equity shares of the Company are listed on Bombay Stock Exchange Limited.

DIRECTORS RESPONSIBILITY STATEMENT

In compliance with Section 217(2AA) of the Companies (Amendment) Act 2000, the Directors state that:

- 1) In the preparation of annual accounts, the applicable accounting standards have been followed and proper explanations relating to material departures, if any, have been furnished.
- 2) Accounting policies as listed in **Note 15** to the financial statements have been selected and consistently applied and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the company as on 31st March, 2013 and of the Profit or Loss of the Company for the Accounting Year ended on that day.
- 3) Proper and sufficient care for the maintenance of adequate accounting records has been taken in accordance with the provisions of the said act so as to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.
- 4) The annual accounts have been prepared on a going concern basis.

HUMAN RESOURCES

Your Directors acknowledge and appreciate the sincere efforts and effective services rendered by the committed officers and staff of the company.

The information as required under section 217(2A) of the Companies Act, 1956 as amended, read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors Report is not applicable.

AUDITORS OBSERVATIONS

The Auditors have referred to certain routine matters in their report and the respective notes to the accounts are self-explanatory.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 require disclosure of particulars regarding conservation of energy in Form A and Technology Absorption in Form B prescribed by the rules. The Company not being a manufacturing Company is advised that Form A and B are not applicable to it.

FOREIGN EXCHANGE EARNINGS & EXPENDITURE

During the year ended 31st March, 2013 the Company has not earned any Income in Foreign Exchange.

FIXED DEPOSITS

During the year ended 31st March, 2013 the Company had not accepted any Fixed Deposits from the Public under Section 58-A of the Companies Act, 1956. The Company does not hold any Fixed Deposits from the public.

DIRECTORS

Mr. Nitesh Kothari Director, retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment. Your Directors recommend his re-appointment.

AUDITORS

M/s. Shahade & Associates, Chartered Accountants and Statutory Auditors will retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Members are requested to consider their re-appointment at a remuneration to be decided by the Board of Directors for the financial year ending 31st March, 2014.

ACKNOWLEDGMENT

We take this opportunity to express our deep sense of gratitude to Securities and Exchange Board of India, Bombay Stock Exchange Ltd., Registrar of Companies, National Securities Depository Ltd., Central Depository Services (India) Ltd., M/s. **Sharex Dynamic (India) Private Limited**, Bankers and other Government Agencies for their continued support.

FOR: AND ON BEHALF OF THE BOARD OF DIRECTOR

Sd/-

MRS. LIZA KOTHARI
MANAGING DIRECTOR

DATE : 29th July 2013
PLACE: MUMBAI

KOTHARI WORLD FINANCE LTD

ANNEXURE TO DIRECTOR'S REPORT

Information as per Section 217(2A) of the Companies Act, 1956 read with the companies (particulars of employees) Rules, 1975.

NOT APPLICABLE

FOR: AND ON BEHALF OF THE BOARD OF DIRECTOR

Sd/-

MRS. LIZA KOTHARI

MANAGING DIRECTOR

DATE : 29th July 2013

PLACE: MUMBAI

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

PHILOSOPHY ON CODE OF GOVERNANCE

The Company firmly believes in and continues to practice Corporate Governance. The Company's essential character is shaped by the very values of transparency, professionalism and accountability. The Company continuously endeavors to improve on these aspects on an ongoing basis.

BOARD OF DIRECTORS

Board Meetings held during the financial year 2012-2013.

The Board of Directors had met 5 (five) times during the financial year 2012-2013. These meetings were held on 14th May 2012, 19th July 2012, 16th August 2012, 25th October 2012 and 7th February 2013.

Composition of Board of Directors, attendance at the Board Meetings and the last Annual General Meeting as on 31st March, 2013, as applicable, is tabulated hereunder :

Name of the Director	No. of Board Meeting attended	Attendance at previous AGM on 28/09/2012	No. of outside Directorships held (Excluding Kothari World Finance Limited)	No. of membership/ chairmanship in other Board Committees (including Kothari World Finance Limited)		Executive/ Non Executive
				Member	Chairman	
Mrs. Liza Kothari	5	Yes	1	Nil	Nil	Executive
Mr. Nitesh Kothari	5	Yes	1	2	Nil	Non Executive
Mr. Manohar Mhatre	5	Yes		1	Nil	Non Executive
Mr. Jeetendra Wala	5	Yes	1	4	2	Non Executive (Independent)
Mr. Jayesh H Gandhi	5	yes	1	2	Nil	Non Executive (Independent)
Ms Meena Dalvi	5	yes	0	2	Nil	Non Executive (Independent)

AUDIT COMMITTEE

The Audit Committee was constituted on 30th January 2012. The Audit Committee Comprises of 4 members namely, Mr. Jeetendra Wala, Mr. Jayesh H. Gandhi, Ms. Meena G. Dalvi and Mr. Nitesh Kothari. Mr. Jeetendra Wala has been appointed as Chairman of the Audit Committee.

The Committee met four times during the financial year 2012-2013. These meetings were held on 14th May 2012, 19th July 2012, 16th August 2012 and 7th February 2013.

Composition of Audit Committee, attendance at the Committee is tabulated hereunder:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship	No. of Meetings attended upto 31 st March, 2013
1.	Mr. Jeetendra Wala	Chairman	Non-Executive (Independent)	1
2.	Mr. Jayesh H Gandhi	Member	Non-Executive (Independent)	1
3.	Ms Meena Dalvi	Member	Non-Executive (Independent)	1
4	Mr. Nitesh Kothari	Member	Non-Executive	1

KOTHARI WORLD FINANCE LTD

REMUNERATION COMMITTEE

The Company has the qualified remuneration committee to determine, the company's policy on specified remuneration packages for Executive directors including pension rights and any compensation payment.

The Remuneration Committee was constituted on 30th January 2012 Comprising of Non-Executive Directors. The details of the Remuneration Committee are as follows:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship	No. of Meetings attended upto 31 st March, 2013
1.	Mr. Jeetendra Wala	Chairman	Non-Executive (Independent)	1
2.	Mr. Jayesh H Gandhi	Member	Non-Executive (Independent)	1
3.	Ms Meena Dalvi	Member	Non-Executive (Independent)	1
4	Mr. Nitesh Kothari	Member	Non-Executive	1

Mrs. Liza Kothari, Managing Director is in service contract with the Company. The remuneration payable to her is in terms of the said contract. The matters of remuneration of Directors are considered by the Board of Directors of the Company from time to time.

Remuneration of Directors for the financial year 2012-2013.

Sitting fees is paid to all the Independent Directors for Board Meetings attended by them. The Company has one Executive Director to whom monthly remuneration is being paid as approved by the Members.

The Company has complied with the non-mandatory requirement of Clause 49 regarding the Remuneration Committee.

SHAREHOLDER/INVESTOR'S GRIEVANCE COMMITTEE

The Company has constituted a "Shareholders/Investors Grievance Committee" of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc. Mr. Nitesh Kothari a Non Executive Director is Chairman of the Shareholder/Investors Grievance Committee. Mr. Manohar Mhatre is the Compliance Officer. The composition of the Shareholders/Investors Grievance Committee:

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Nitesh Kothari	Chairman	Non Executive
2.	Mr. Manohar Mhatre	Member	Non Executive

The committee takes on record the details of submissions made by Registrar & Transfer Agent (RTA) on every 15th day of the month and also consider status of grievances/complaints pending on the same day.

During the financial year 2012-2013, no communications were received from shareholders and investors.

All valid requests for share transfer received during 2012-2013 have been acted upon by the Company and no transfer is pending.

GENERAL BODY MEETINGS:

Location and time of last three Annual General Meetings are as under:

YEAR	VENUE	DATE	TIME
2009-2010	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI – 400021	30 th SEPTEMBER, 2010	11.30 A.M
2010-2011	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI – 400021	30 th SEPTEMBER, 2011	11.30 A.M
2011-2012	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI – 400021	28 th SEPTEMBER, 2012	11.30 A.M

KOTHARI WORLD FINANCE LTD

Details of Special Resolutions passed in previous three Annual General Meetings.

Date of Annual General Meeting	No. of Special Resolutions passed	Details of Special Resolutions Passed
30 TH SEPTEMBER, 2010	2	<ol style="list-style-type: none"> To adopt new set of Articles of Association of the Company. Change of name of the Company from Grenada Investment and Trading Co. Limited to Kothari world Finance limited
30 TH SEPTEMBER, 2011	6	<ol style="list-style-type: none"> Authorized Share Capital of the Company increased from Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 1,50,00,000 Equity shares of Rs. 10/- (Rupees Ten) each to Rs. 25,00,00,000 /- (Rupees Twenty Five Crores only) divided into 2,50,00,000 Equity shares of Rs. 10/- (Rupees Ten) each ranking pari- passu with the existing Equity Shares of the Company. Alteration of Articles of Association consequent to increase in Authorized Share Capital Alteration of Memorandum of Association consequent to increase in Authorized Share Capital To create, offer, issue and allot in one or more tranches and upon such terms and conditions as may be deemed appropriate by the Board by way of preferential allotment upto 40,00,000 (Forty Lac) Equity shares at Rs 16.40/- each Ratification of the Resolution no. 1 passed at the Extra Ordinary General Meeting held on 24th March 2011 Ratification of the Resolution no. 2 passed at the Extra Ordinary General Meeting held on 24th March 2011
28 TH SEPTEMBER, 2012		Mrs. Liza Nitesh Kothari be appointed as a Managing Director of the Company for the period of 3 years (Three years) with effect from 30 th January 2012 to 29 th January 2015 on the terms and conditions including remuneration and perquisites as per the agreement entered into with Mrs. Liza Kothari.

DISCLOSURES

During the financial year 2012-2013, the Company had no materially significant related party transaction which is considered to have potential conflict with the interest of the Company at large.

MEANS OF COMMUNICATION

The quarterly, half yearly & annual results are published by the Company in the Free Press Journal and Navshakti, Mumbai "Limited Review" by the Auditors of the Company of the quarterly results is sent to Bombay Stock Exchange Limited where the shares of the company are listed. Shareholders can also access the quarterly results on website of these exchanges where the equity shares of the company are listed (i.e. www.bseindia.com)

Tentative Financial Calendar for Financial Results – 2013 – 2014:

Particulars	
1 st Quarter (June, 2013)	Already published on 30 th JULY 2013
2 nd Quarter (September, 2013)	Last week of October, 2013
3 rd Quarter (December, 2013)	Last week of January, 2014
Audited Financial Results for the year ended 31 st March, 2014	Second week of May, 2014

GENERAL SHAREHOLDER'S INFORMATION

Annual General Meeting

Date and time	27 th September 2013 at 11.30 A.M
Venue	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI: 400021
Financial Year Ending	31 st March, 2013
Date of Book Closure	From Friday 20 th September, 2013 to Friday 27 th September, 2013 (both days inclusive) for the purpose of 28 th Annual General Meeting
Listing on Stock Exchange and Stock Code	Equity Shares of the Company are listed at Bombay Stock Exchange Limited. (Scrip Code:511138)
Face Value of Equity Shares	10/- each.

KOTHARI WORLD FINANCE LTD

Monthly High/Low price of Equity Shares of the Company during the financial year 2012-2013 on Bombay Stock Exchange Limited

All Prices in ₹

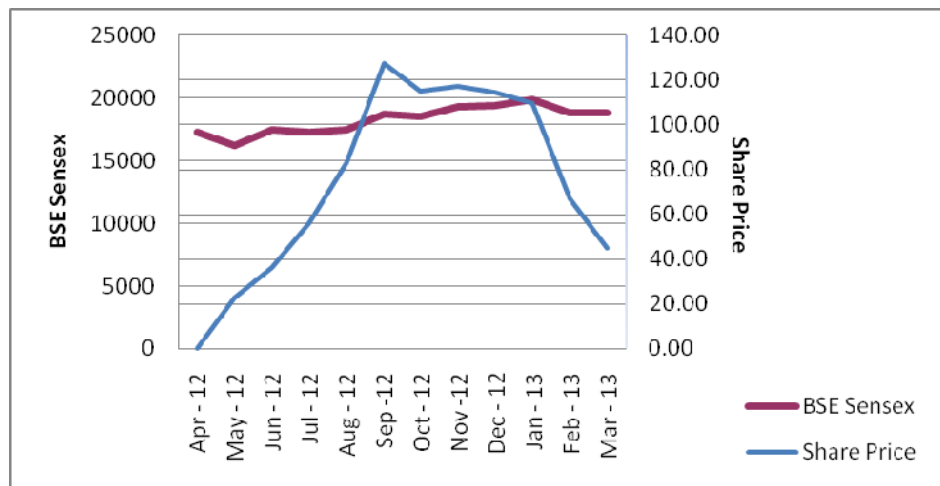
Month	Open	High	Low	Close	No. Of Shares	No. Of Trades	Total Turnover	*Spread	
								H-L	C-O
May 12	17.90	22.65	17.90	22.65	600	6	12,115	4.75	4.75
Jun 12	23.75	36.55	23.75	36.55	1,420	10	42,666	12.80	12.80
Jul 12	38.35	56.45	38.35	56.45	160	9	7,466	18.10	18.10
Aug 12	59.25	83.20	59.25	83.20	145	9	10,191	23.95	23.95
Sep 12	87.35	142.00	87.35	127.30	7,315	106	9,20,089	54.65	39.95
Oct 12	120.95	126.95	104.00	114.85	3,60,330	331	4,25,61,711	22.95	-6.10
Nov 12	118.25	119.25	110.00	117.15	6,60,573	684	7,64,55,076	9.25	-1.10
Dec 12	116.90	117.60	110.50	114.60	7,12,799	463	8,24,13,540	7.10	-2.30
Jan 13	115.00	115.00	108.00	109.65	3,84,572	320	4,34,01,004	7.00	-5.35
Feb 13	109.75	110.25	67.00	67.15	66,941	104	58,65,751	43.25	-42.60
Mar 13	65.25	66.40	44.85	44.85	7,20,628	318	3,89,84,824	21.55	-20.40

***Spread**

H-L: High-Low

C-O: Close-Open

Graphical Representation of Performance of Kothari World Finance Limited share price in comparison with BSE Sensex.



SHAREX DYNAMIC (INDIA) PRIVATE LIMITED

Unit 1, Luthra Industrial Premises
Safeed Pul, Andheri Kurla Road
Ahdheri East, Mumbai-400072

KOTHARI WORLD FINANCE LTD

SHARE TRANSFER SYSTEM

The Company's share being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Shareholders' and Investors' Grievance Committee. The share transfer process is reviewed by the said committee.

The Company obtains half-yearly certificate of compliance related to the share transfer formalities from a Company Secretary in practice as required under Clause 47 (C) of the Listing Agreement with Stock Exchanges and files a copy of the certificate with the Stock Exchanges on or before the due date.

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2013.

No. of Shares	Shareholders		Shareholding	
	Number	%	Number	%
Up to 100	35	24.82	1975	.03
101 to 200	8	5.67	1250	.02
201 to 500	3	2.13	1200	.02
501 to 1000	5	3.55	4100	.06
1001 to 5000	19	13.48	56324	.76
5001 to 10000	10	7.09	75059	1.01
10001 to 100000	38	26.95	1473927	19.82
100001 TO ABOVE	23	16.31	5823665	78.30
TOTAL	141	100	7437500	100

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2013

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	Promoter & Promoter Group :		
	(a) Individuals/ Hindu Undivided Family	2164225	29.099
	(b) Bodies Corporate	2786050	37.459
	Sub Total :	4950275	66.558
(B)	Public Shareholding :		
	1. Institutions	0	
	(a) Mutual Funds/UTI	0	
	(b) Financial Institutions/Banks	0	
	(c) Foreign Institutional Investors	0	
	2. Non-Institutions		
	(a) Bodies Corporate	705243	9.482
	(b) Individuals	1618721	21.76
	(c) Non-Resident Indians	0	0
	(d) Trust	0	0
	(e) Hindu Undivided Family	0	0
	(f) Clearing Members	163261	2.195
	Sub Total :	2487225	33.442
	GRAND TOTAL	7437500	100

Dematerialization of Shares: 7397400 Equity Shares of ` 10/- each (i.e. 99.46% of the total capital of the Company have been dematerialized as on 31st March, 2013.

CODE OF CONDUCT

The Company has in place a Code of Conduct applicable to the Board as well as the designated employees. All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2013.

KOTHARI WORLD FINANCE LTD

A declaration to this effect, duly signed by Managing Director, is annexed and form part of this report.

ADDRESS FOR CORRESPONDENCE:

121/C, Mittal Tower, 12th Floor,
Nariman Point, Mumbai 400021

E-mail for Investors: companysecretary@kothariworld.com

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The financial year witnessed an average capital market conditions and your company has been able to generate income and move the performance by completing various assignments of different nature. Total income of the Company decreased from Rs.165.87 lacs to Rs.107.22 Lacs due to marginal volume in share trading activities in the year ended 31/03/2013. Profit before tax increased from (Profit) Rs.43.49 Lacs to (Profit) Rs. 45.76 Lacs. Company continued to be profitable by registering Profit after Tax of Rs.29.87 lacs for the financial year 31/03/2013 as against (Profit) of Rs.32.92 lacs in the year 31/03/2012. By the time said discussions and analysis is being made, the capital market has witnessed rough phase on account of concerns of rising inflation, slowing economy growth, depreciation of rupee, lack of structural reforms issues etc., Your company expects to deal with general adverse capital market conditions by remaining cautious and moving forward strategically.

By Order of the Board
FOR: AND ON BEHALF OF THE BOARD OF DIRECTOR
Sd/-
MRS. LIZA KOTHARI
MANAGING DIRECTOR

DATE : 29th July 2013
PLACE: MUMBAI

Details of the Directors seeking appointment/re-appointment in the forthcoming Annual General Meeting.

Name, Age, Qualification and Address of Director	Experience/Expertise in specific functional area	Directorship held in other companies.
<p><u>Mr. Nitesh Kothari</u> (Director due to retire by rotation seeking re-appointment) Age : 38 Years Qualification: BE Address: 111, Dariya Mahal, 19th floor, Napeansea Road, Mumbai - 400006</p>	<p>Mr Nitesh Kothari holds a bachelors degree in civil engineering from Mumbai University. He has been involved in the real estate business since the age of 17. He has also completed his Diploma in software Engineering and have years of experience in various fields of construction, Project implementation, software, securities exchange services. He also have an experience, in analysis, consulting, law and accounting, project Leader, making web applications, designing, conceptualizing and presentation.</p>	<p>a) Amity Agriculture Private Limited b) Atamdeep Engineers Private Limited c) Goldcoin Engineers Private Limited d) Famous Commercial & Leasing Private Limited e) Steady Mercantile Company Private Limited f) Kaikhusroo Manekji Mehta Stone & Engineering Works Private Limited g) Mithani Agriculture Private Limited h) D. Dahyabhai & Company Private Limited i) Mansi Engineers Private Limited j) Vishal Construction Company Private Limited k) Spectrum Capital Private Limited l) VIP Construction Private Limited m) Paras Silk Mills Private Limited n) International Health Care Products Limited</p>

Declaration by Managing Director

I, Liza Kothari, Managing Director of Kothari World Finance Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Clause 49 (1) (D) (ii) of the Listing Agreement entered into with the Stock Exchanges, for the year ended March 31, 2012.

FOR: AND ON BEHALF OF THE BOARD OF DIRECTOR
Sd/-
MRS. LIZA KOTHARI
MANAGING DIRECTOR

DATE : 29th July 2013
PLACE: MUMBAI

KOTHARI WORLD FINANCE LTD

Managing Director Certification

I, Liza Kothari, Managing Director of Kothari World Finance, Managing Director of Kothari World Finance Limited hereby certify that:

- 1) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2013 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) 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.
- 2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the Company's Code of Conduct.
- 3) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they 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.
- 4) We have indicated to the Auditors and the Audit Committee that -
 - a) There has not been any significant change in internal control over financial reporting during the year under reference;
 - b) There has not been any significant changes in accounting policies during the year under requiring disclosure in the notes to the financial statements; and
 - c) There has not been any instances during the year of significant fraud of which we had 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 Kothari World Finance Limited

Sd/-

Liza Kothari

Managing Director

29th JULY 2013

Place: Mumbai

CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Kothari World Finance Limited.

We have examined the compliance of conditions of Corporate Governance by Kothari World Finance Limited (the Company) for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchanges of India.

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

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We further 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.

For Uma Lodha & Co.

Practicing Company Secretaries

Sd/-

Uma Lodha

Proprietor

C.P. No. 2593

Place: Mumbai

Date: 29th July 2013

AUDITORS' REPORT TO THE MEMBERS OF KOTHARI WORLD FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Kothari World Finance Limited ("the Company") which comprise the Balance Sheet as at March 31, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956 ('the Act'). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the Auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)

sd/-
(Shubhada Shahade)

Partner

M. No. 38342

Place: Mumbai
Date: 30th May, 2013

ANNEXURE TO THE AUDITORS' REPORT

Annexure referred to in paragraph 1 of the Auditors' Report of even date on the accounts of Kothari World Finance Limited for the year ended on 31st March, 2013.

- 1) a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of the Fixed Assets.
 - b) As explained to us, the physical verification of a major portion of Fixed Assets was conducted by the management during the year and no material discrepancies were noticed on such verification as compared with the book records.
 - c) Based on the scrutiny of records of the Company and the information and explanations received by us, the Company has not disposed off any major part of the Fixed Assets, so as to affect its going concern.
- 2) a) The Securities held as stock in trade have been physically verified by the Management during the year. In our opinion the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock in trade followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. The discrepancies noticed on verification between the physical stock and book records, which were not material, have been properly dealt with in the books of account.
- 3) As informed to us, the Company has neither granted nor taken loans, secured or unsecured, to / from Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. Therefore, requirements of clauses (iii-a) to (iii-g) of paragraph 4 of the order are not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weakness has been noticed in these internal controls.
- 5) a) Based on the audit procedures applied by us and according to the information & explanation provided by the Management, we are of the opinion that the transactions that need to be entered in to the register maintained under section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contract or arrangements entered in the register maintained under section 301 and exceeding the value of five lacs rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from the public in terms of the provisions of sections 58 A and 58AA of the Companies Act, 1956 and the companies (Acceptance of Deposits) Rules, 1975.
- 7) The Company does not have an Internal Audit system.
- 8) As per the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the type of business carried on by the Company.
- 9) a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including investor education protection fund, employees' state insurance, Provident Fund, Income tax, Sales Tax, Customs duty, and other statutory dues applicable to it.
 - b) According to the information and explanations given to us and as per the records of the Company, no undisputed amounts payable in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax and Excise Duty were outstanding as on 31st March, 2013 for a period of more than six months from the date they became payable.
 - c) According to the records of the Company, there are no dues of Sales Tax, Income Tax, Custom tax/ Wealth Tax, excise duty/ Cess which have not been deposited on account of any dispute.
- 10) The Company does not have accumulated losses. The Company has not incurred any cash loss during the financial year covered by our audit or during the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to Financial Institution, bank or debenture holders.
- 12) Based on our examination of documents and records, we are of the opinion that the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other similar securities.
- 13) In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to Chit Fund / Nidhi / Mutual benefit fund / Society are not applicable to the Company.

KOTHARI WORLD FINANCE LTD

- 14) The company has maintained proper records for dealing and trading in shares, securities, debentures and timely entries have been made therein. The shares, securities and debentures have been held by the company in its own name except to the extent of exemption granted under section 49 of the Act.
- 15) As per the information & explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) According to the records of the Company, no term loans have been raised during the year by the Company.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long-term investment and vice versa.
- 18) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
- 19) According to the records of the Company, the Company has not issued debentures during the year under audit.
- 20) The company has not raised any money by public issue during the period covered by our audit report.
- 21) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)
sd/-
(Shubhada Shahade)
Partner
M. No. 38342

Place: Mumbai
Date: 30th May, 2013

BALANCE SHEET

KOTHARI WORLD FINANCE LIMITED				
BALANCE SHEET AS AT 31ST MARCH, 2013				
		NOTE	AS AT	AS AT
			31 ST March 2013	31 ST March 2012
			Rs.	Rs.
A	EQUITY AND LIABILITIES:-			
	Shareholder's Funds			
	a) Share Capital	1	74,375,000	74,375,000
	b) Reserves & Surplus	2	51,033,746	48,046,401
			125,408,746	122,421,401
	c) Current Liabilities	3	2,259,769	981,842
	Total		127,668,515	123,403,243
B	ASSETS:-			
	Non Current Assets			
	a) Fixed Assets			
	(i) Tangible Assets	4	44,930,382	18,362,613
	(ii) Capital Work in Progress		1,003,207	1,003,207
			45,933,589	19,365,820
	b) Investments	5	6,303,242	6,303,242
	c) Deferred Tax Asset (Net)		401,221	397,022
	d) Deposits	6	2,459,752	1,375,385
			9,164,215	8,075,649
	Current Assets:-			
	a) Inventories - Stock in Trade		1,484,549	1,160,249
	b) Cash & Cash Equivalents	7	68,171,838	92,678,612
	c) Trade Receivables	8	1,814,203	257,368
	d) Other Current Assets	9	1,100,121	1,865,545
			72,570,711	95,961,774
	TOTAL		127,668,515	123,403,243
Notes forming part of the Financial Statements		1 TO 15		

As per our report of even date

For Shahade & Associates

Chartered Accountants

(ICAI Firm Regn. No. 109840W)

sd/-

(Shubhada Shahade)**Partner**

M. No. 38342

For and on behalf of the board

sd/-

(Liza Kothari)**Managing Director**

sd/-

(Nitesh Kothari)**Director**Place: MumbaiDate: 30th May, 2013

KOTHARI WORLD FINANCE LTD

KOTHARI WORLD FINANCE LIMITED				
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2013				
		NOTE	<u>2012-13</u>	<u>2011-12</u>
			Rs.	Rs.
I	Revenue from Operations	10	10,543,000	16,494,399
II	Other Income	11	179,037	92,125
III	Total Revenue (I+II)		10,722,037	16,586,524
IV	Expenses			
	a) Purchase of Stock in Trade		1,164,635	6,952,242
	b) Change in Valuation of Stock in Trade	12	-324,300	889,275
	c) Employees Benefits Expenses	13	770,469	583,423
	d) Depreciation & Amortization Expense		1,559,341	977,442
	e) Other Expenses	14	2,975,797	2,834,755
	Total Expenses		6,145,942	12,237,137
V	Profit / (Loss) Before Tax		4,576,095	4,349,387
VI	Tax Expenses:			
	(a) Current Tax		1,535,000	1,358,000
	(b) Deferred Tax (Asset)		4,200	301,000
	(c) Earlier years' tax		57,950	0
			-1,588,750	-1,057,000
VII	Profit / (Loss) for the year		2,987,345	3,292,387
VIII	Earnings per share - Basic			
	(Rupees) (Face Value of Rs.10/- each)		0.40	0.44
	Refer Note No. 15			
Notes forming part of the Financial Statements		1 TO 15		

As per our report of even date
For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)
sd/-
(Shubhada Shahade)
Partner
M. No. 38342

For and on behalf of the board

sd/-
(Liza Kothari)
Managing Director

sd/-
(Nitesh Kothari)
Director

Place: Mumbai
Date: 30th May, 2013

KOTHARI WORLD FINANCE LTD

KOTHARI WORLD FINANCE LIMITED			
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2013			
	(Amount in Rs)		
		Year Ended 31-03-2013	Year Ended 31-03-2012
A. Cash flow from operating activities:			
Profit before Exceptional items		4576095	4349387
Add: Depreciation	1559341		977442
Sub Total		1559341	977442
Total		6135436	5326829
Less: Interest on Income Tax Refund	0		19112
Dividend Received/ Income From Investments	30225		39156
Sub Total		30225	58268
Operating profit before working capital changes		6105211	5268561
Increase / (Decrease) in Trade / other payables		1277927	-1452
Decrease / (Increase) in Trade / other receivables		-1875778	921071
Decrease / (Increase) in Inventories		-324300	889275
Cash generated from operations		5183060	7077455
Direct taxes refund / (paid) (Net)		-1592950	-1358000
Net cash inflow / (outflow) from operating activities		3590110	5719455
B. Cash flow from investing activities:			
Purchase of fixed assets		-28127110	-53900
Proceeds from sale of fixed assets		0	0
Interest on Income Tax Refund		0	19112
Noncurrent investments		0	-2700000
Dividend received / income from investment		30225	39156
Net cash inflow / (outflow) from investing activities		-28096885	-2695632
C. Cash flow from Financing activities:			
Proceeds (Repayment) of unsecured loans from borrowings (Net)		0	-17400000
Equity Shares issued		0	59575000
Share Premium		0	37345000
Share money received		0	-56000000
Dividend including dividend distribution tax		0	0
Net cash inflow / (outflow) from financing activities		0	23520000
Net Increase / (Decrease) in cash and cash equivalents		-24506775	26543823
Cash and cash equivalents as at opening			
Cash and Bank Balances		92678612	66134789
Cash and cash equivalents as at closing			
Cash and Bank Balances		68171837	92678612
		-24506775	26543823

KOTHARI WORLD FINANCE LTD

Notes: a) All figures in brackets are outflow.
b) Previous year's figures are regrouped / recasted wherever necessary.

As per our report of even date

For Shahade & Associates

Chartered Accountants

(ICAI Firm Regn. No. 109840W)

sd/-

(Shubhada Shahade)

Partner

M. No. 38342

For and on behalf of the board

sd/-

(Liza Kothari)

Managing Director

sd/-

(Nitesh Kothari)

Director

Place: Mumbai

Date: 30th May, 2013

KOTHARI WORLD FINANCE LIMITED				
NOTES FORMING PART OF THE FINANCIAL STATEMENTS				
NOTE 1:- SHARE CAPITAL				
Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Amt	Number of shares	Amt
(a) Authorised				
Equity shares of Rs.10/- each with voting rights	25000000	250,000,000	25000000	250,000,000
(b) Issued, Subscribed and fully paid up				
Equity shares of `Rs.10/- each with voting rights	7437500	74,375,000	7437500	74,375,000
Total	7437500	74,375,000	7437500	74,375,000
Reconciliation of the Number of Shares Outstanding at the beginning and at the end of the period.				
Particulars	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	Amt	Number of shares	Amt
Equity Shares				
At the beginning of the year	7437500	74,375,000	1480000	14,800,000
Issued during the year			5957500	59,575,000
Total	7437500	74,375,000	7437500	74,375,000
Details of shareholders holding more than 5 % of shares in the Company.				
Name of the Shareholder	As at 31 March, 2013		As at 31 March, 2012	
	No. of shares	% of Holding	No. of Eq. Shares	% of Holding
NITESH PRATAPRAI KOTHARI	743575	9.880	803650	10.805
VIP CONSTRUCTION PRIVATE LIMITED	-	-	178500	12.061
RAMESH U. RAMCHANDANI	-	-	120000	8.108
LIZA NITESH KOTHARI	623650	8.385	623650	8.385
D DAHYABHAI AND CO PRIVATE LIMITED	960300	12.912	960300	12.912

KOTHARI WORLD FINANCE LIMITED		
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013		
	AS AT	AS AT
	31.03.2013	31.03.2012
	Rs.	Rs.
Note. 2:-		
RESERVES & SURPLUS:-		
a) Share Premium Account		
Opening Balance	37,345,000	-
Add: Premium on shares issued during the year	-	37,345,000
	37,345,000	37,345,000
b) Statutory Reserve Account		
Opening Balance	2,251,502	1,593,025
Add: Transfer from surplus in the Statement of Profit & Loss Account	597,469	658,477
Closing Balance	2,848,971	2,251,502
c) General Reserve		
Opening Balance	100,000	100,000
	100,000	100,000
d) Surplus in the Statement of Profit & Loss Account		
Opening Balance	8,349,899	5,715,989
Add/ (Less): Profit / (Loss) for the current year	2,987,345	3,292,387
	11,337,244	9,008,376
Less: Transfer to Statutory Reserve	597,469	658,477
	10,739,775	8,349,899
TOTAL RESERVES & SURPLUS (a+b+c+d)	51,033,746	48,046,401
NOTE - 3:-		
CURRENT LIABILITIES:-		
Outstanding Liabilities for Expenses	2,259,769	981,842
	2,259,769	981,842

KOTHARI WORLD FINANCE LTD

KOTHARI WORLD FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013

NOTE - 4 :- FIXED ASSETS

A.	Tangible assets	Gross block				Accumulated depreciation and impairment			Net block		
		Balance as at 1 April, 2012	Additions	Disposals	Balance as at 31 March, 2013	Balance as at 1 April, 2012	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2013	Balance as at 31 March, 2013	Balance as at 31 March, 2012
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(a) Plant and Equipment	289,032	-	-	289,032	273,215	2,200	-	275,415	13,617	15,817
	(b) Furniture and Fixtures	48,094	-	-	48,094	46,279	252	-	46,531	1,563	1,815
	(c) Office equipment	374,500	-	-	374,500	273,665	14,028	-	287,693	86,807	100,835
	(d) Electrical Installation	114,955	-	114,955	-	114,955	-	114,955	-	-	-
	(e) Godown at Thangadh	9,067,546	-	-	9,067,546	6,721,478	117,304	-	6,838,782	2,228,764	2,346,068
	(f) Godown At Thane	16,802,850	20,050,360	-	36,853,210	905,266	1,361,051	-	2,266,317	34,586,893	15,897,584
	(g) Water Pump	5,300	-	-	5,300	4,806	68	-	4,874	426	494
	(h) Factory at Khadoli	-	6,456,750	-	6,456,750	-	64,438	-	64,438	6,392,312	-
	(i) Land at Khadoli	-	1,620,000	-	1,620,000	-	-	-	-	1,620,000	-
	Total	26,702,277	28,127,110	114,955	54,714,432	8,339,664	1,559,341	114,955	9,784,050	44,930,382	18,362,613
	Previous year	26,648,377	53,900	-	26,702,277	7,362,222	977,442	-	8,339,664	18,362,613	19,286,155

KOTHARI WORLD FINANCE LIMITED		
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013		
	AS AT	AS AT
	31.03.2013	31.03.2012
	Rs.	Rs.
NOTE - 5 :-		
NON CURRENT INVESTMENTS :-		
a) QUOTED (At Cost)		
56,900 Equity shares of Munoth Hire Purchase Ltd. Of Rs. 10/-each fully paid up (Delisted)	98,437	98,437
38,500 Equity shares of Suchak Trading Ltd. Of Rs. 10/-each fully paid up (M.V. Rs.1,05,875/- Previous Year Rs. 1,05,875/-)	89,705	89,705
200000 Equity shares of Tricom India Ltd. Of Rs. 13.50 each fully paid up (M.V. Rs.3,00,000/- Previous Year Rs.22,00,000/-)	2,700,000	2,700,000
A)	2,888,142	2,888,142
b) UNQUOTED (At Cost)		
5000 Equity shares of Kaikhushroo Manekji Mehta Stone & Engg.Works Pvt. Ltd. Of Rs. 10/- each Fully paid up	50,000	50,000
7050 Equity shares of International Health Care Products Ltd.of Rs.100/- each Fully paid up	2,530,100	2,530,100
900 Equity shares of Goldcoin Engineers Pvt.Ltd.of Rs.100/- each fully paid up	90,000	90,000
1950 Equity shares of Amity Agriculture Pvt. Ltd. of Rs.100/- each fully paid up	195,000	195,000
600 Equity shares of Steady Mercantile Co. Pvt. Ltd. Of Rs. 100/-each fully paid up	60,000	60,000
1000 Equity shares of Famous Commercial & Leasing Pvt. Ltd. Rs.100/- each fully paid up	100,000	100,000
1700 Equity shares of Mithani Agriculture Pvt.Ltd. of Rs.100/- each fully paid up	170,000	170,000
300 Equity shares of Atamdeep Engineers Pvt. Ltd. Of Rs. 100/- each fully paid up	30,000	30,000
800 Equity shares of Mansi Engineers Pvt. Ltd. Of Rs. 100/- each fully paid up	80,000	80,000
1100 Equity shares of D.Dahyabhai & Co. Pvt. Ltd. Of Rs.100/- each Fully paid up	110,000	110,000
B)	3,415,100	3,415,100
(A+B)	6,303,242	6,303,242

KOTHARI WORLD FINANCE LIMITED		
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013		
	AS AT	AS AT
	31.03.2013	31.03.2012
	Rs.	Rs.
NOTE - 6		
OTHER NON-CURRENT ASSETS		
(a) Security Deposits	1,200,000	1,200,000
(b) Other Deposits	225,485	175,385
(c) Long term Loans	1,034,267	-
	2,459,752	1,375,385
NOTE - 7 :-		
CASH & CASH EQUIVALENT		
(a) Cash on hand	101,237	82,269
(b) Balance with banks:		
Bank of India	1,407,713	3,020,983
IDBI Bank Ltd	54,133,001	80,659,207
(c) Deposits with Bank	12,529,887	8,916,153
	68,171,838	92,678,612
NOTE - 8 :-		
TRADE RECEIVABLES		
Unsecured considered good unless otherwise stated		
a) Debts outstanding exceeding six months	-	-
b) Other Debts	1,814,203	257,368
	1,814,203	257,368
NOTE - 9 :-		
OTHER CURRENT ASSETS		
(a) Advances	180,000	1,000,000
(b) Loans and advances to employees	7,500	21,675
(c) Prepaid Expenses	163,287	226,258
(d) Advance Income Tax (Net)	749,334	617,612
	1,100,121	1,865,545

KOTHARI WORLD FINANCE LIMITED		
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013		
	FOR THE	FOR THE
	YEAR ENDED	YEAR ENDED
	31.03.2013	31.03.2012
	Rs.	Rs.
NOTE - 10 :-		
REVENUE FROM OPERATIONS		
Sale of Shares	424,499	7,378,582
Other Sales	-	80,000
Interest Income	4,289,656	5,409,534
License Fees	5,828,845	3,626,283
	10,543,000	16,494,399
NOTE - 11 :-		
OTHER INCOME		
Interest on I.T.Refund	-	19,112
Dividend Income	30,225	39,156

KOTHARI WORLD FINANCE LTD

Profit on Speculative Transactions	148,812	33,857
	179,037	92,125
NOTE - 12 :-		
CHANGE IN VALUATION OF STOCK IN TRADE		
Value of Opening Stock	1,160,249	2,049,524
Value of Closing Stock	1,484,549	1,160,249
Increase /(Decrease) of Stock	(324,300)	889,275
NOTE - 13 :-		
EMPLOYEE BENEFIT EXPENSES		
Salaries	770,469	583,423
	770,469	583,423

KOTHARI WORLD FINANCE LIMITED		
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2013		
	<u>FOR THE</u> <u>YEAR ENDED</u> <u>31.03.2013</u> Rs.	<u>FOR THE</u> <u>YEAR ENDED</u> <u>31.03.2012</u> Rs.
NOTE - 14 :-		
OTHER EXPENSES		
Electricity Charges	98,625	47,534
Rent	110,940	110,940
Repairs & Maintenance	11,030	24,174
Printing & Stationery	27,986	32,390
Donation	775,000	200,000
Travelling & Conveyance Expenses	54,514	-
Telephone Charges	45,749	39,659
Bank Charges	50	428
Director's Remuneration	1,100,000	200,000
Listing Fees	15,000	15,000
Filing Fees	26,385	88,770
Legal & Professional Fees	158,915	191,286
Property Taxes	288,428	288,428
Lease Rent W/off	-	397,832
Sundry Deposit W/off	-	50,000
Auditor's Remuneration		
Audit Fees	30,000	30,000
Sundry Expenses	52,924	57,928
Consultancy Charges	54,385	-
Advertisement	76,210	63,684
Development Charges	10,750	45,016
Share Issue Expenses	-	947,050
Postage & Telegram	6,011	4,636
Interest Paid	1,894	-
Security Charges	31,001	-
	2,975,797	2,834,755

NOTE - 15			
SIGNIFICANT ACCOUNTING POLICIES			
a)	BASIS OF PREPARATION:		
	The financial statements are prepared in accordance with generally accepted accounting principles in India. The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standard) Rules 2006 issued under Subsection 3C of Section 211 of The Companies Act , 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year. The company has also re-classified the previous year figures in accordance with the requirements applicable in the current year.		
b)	USE OF ESTIMATES:		
	The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balance of assets & liabilities, revenue and expenses and disclosures relating to contingent liabilities. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision of accounting estimates is recognised prospectively in the current and future periods.		
c)	Fixed Assets		
	<ul style="list-style-type: none"> (i) Fixed Assets are stated at cost inclusive of all expenses directly attributable in bringing the Assets to their working condition. (ii) Depreciation (iii) The Company provides depreciation on Written down Value Method at the rates prescribed under Schedule XIV of the Companies Act, 1956. (iv) Depreciation on Assets has been provided on pro –rata basis from the date of acquisition or till the date of disposal as the case may be. 		
d)	Stock in trade and investments		
	<ul style="list-style-type: none"> (i) The securities acquired with the intention of short term holding and trading position are considered as stock in trade and shown as Current Assets. Other securities acquired with the intention of long-term holding are considered as Investments being of long term nature are stated at Cost. (ii) In respect of investment, brokerage and stamp duty payable are considered to arrive at the cost. However in respect of the securities held in stock in trade, brokerage and stamp duty are written off as revenue expenditure. (iii) The securities held as stock in trade under the current asset are valued at cost or market value whichever is lower. (iv) The investments are shown in Balance Sheet at cost, In the case of quoted investments, provisions for diminution in value of investments is not made, since the Investments are Long Term Investments. 		
e)	Statutory Reserve		
	In accordance with Section 45 – IC of the Reserve Bank of India (Amendment) Act, 1997, Twenty percent of the profit after taxation has been transferred to Statutory Reserve.		
f)	Earnings per share: -		
	In accordance with the Accounting Standard 20 "Earning per Share" issued by The institute of Chartered Accountants of India, basic earnings per share is computed by dividing net profit after tax for the year by the number of equity shares outstanding for the period. Diluted earnings per shares have not been computed.		
		Current year	Previous Year
	Profit (Loss) for the year after adjustment and appropriation	Rs. 29,87,345	32,92,387
	Number of Equity Shares	7437500	7437500
	Basic Earnings per Share	Rs. 0.40	0.44
g)	Segment Reporting:-		
	Based on the guiding principle given in the Accounting Standard –17 "Segment Reporting " issued by the institute of Chartered Accountants of India, the company's main activities is investment and finance and hence the said segment wise reporting is not applicable.		

KOTHARI WORLD FINANCE LTD

h)	There is no amount payable to any small scale industrial undertaking.		
i) Related Party Disclosure			
Disclosures as required by the Accounting Standard 18"Related Party Disclosure" are The Company has identified following related parties.			
a) Key Management Personnel:			
Mrs. Liza N. Kothari, Managing Director.			
Mr. Nitesh P. Kothari, Director			
Mr. Manohar M.Mhatre, Director			
Mr. Jeetendra B. Wala, Director			
Mr. Jayesh kumar Gandhi, Director			
Miss Meena G. Dalvi, Director			
b) Associate Companies: -			
International Health Care Products Limited			
D Dahyabhai Co Private Limited			
Famous Commercial Leasing Private Limited			
Steady Mercantile Co Private Limited			
Vishal Construction Co Private Limited			
Paras Silk Mills Private Limited			
Spectrum Capital Private Limited			
Amity Agriculture Private Limited			
Mithani Agriculture Private Limited			
Goldcoin Engineers Private Limited			
Atamdeep Engineers Private Limited			
Mansi Engineers Private Limited			
VIP Construction Co Private Limited			
Kaikhusroo Manekji Mehta Stone & Engineering Works Private Limited			
Payment to Related Parties during the year:-			
Mrs. Liza N. Kothari, Managing Director			
Rs. 11,00,000/- (Previous Year.: Rs. 200,000/-)			
j) In the opinion of the Board the Current Assets, if realised in the ordinary course of business will be atleast of the values Stated in the Balance Sheet. Provisions for all known liabilities are made in the account and are not in excess of amount considered necessary.			
k)			
	- Value of Imports Calculated on CIF Basis.	2012-13	2011-12
	- Raw Materials	NIL	NIL
	- Capital Goods	NIL	NIL
	- Expenditure in Foreign Currencies	NIL	NIL
	- Earnings in Foreign Currencies	NIL	NIL

As per our report of even date

For Shahade & Associates

Chartered Accountants

(ICAI Firm Regn. No. 109840W)

sd/-

(Shubhada Shahade)

Partner

M. No. 38342

For and on behalf of the board

sd/-

(Liza Kothari)

Managing Director

sd/-

(Nitesh Kothari)

Director

Place: Mumbai

Date: 30th May, 2013

KOTHARI WORLD FINANCE LIMITEDRegistered Office: 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai- 400021.

Please fill the Attendance Slip and hand it over at the entrance of the meeting hall

DP. Id*	
Client Id*	

Folio No.	
No. of share(s) held	

Name and Address of the Shareholder/Proxy:

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company to be held on 27th September 2013, Friday at 11.30 A.M. at 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai - 400 021.

Signature of Shareholder or Proxy

*Applicable for investors holding share(s) in electronic form.

.....Tear Here.....

PROXY FORM

KOTHARI WORLD FINANCE LIMITEDRegistered Office: 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai- 400021.

DP. Id*	
Client Id*	

Folio No.	
No. of share(s) held	

I/We _____ of _____ in the district of _____ being member/ members of KOTHARI WORLD FINANCE LIMITED hereby appoint _____ of _____ of _____ in the district of _____ or failing him/her _____ of _____ of _____ in the district of _____ as my / our proxy to vote for me / us on my / our behalf at the 28th Annual General Meeting of the Company to be held on 27th September, Friday 2013 at 11.30 A.M. at 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai - 400 021.

Signed this day of 2013.

*Applicable for investors holding share(s) in electronic form.

Affix Rs 1/- Revenue stamp

- Notes:** 1) The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the registered Office of the company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the company.
- 2) Members holding shares under more than one folio may use photocopy of this proxy form for other folios. The company shall provide additional forms on request.

Book Post




To,

If undelivered please return to:
Kothari World Finance Ltd
C/121, Mittal Tower
12th Floor, Nariman Point.
Mumbai: 400 021.
Tel No: +91-22-22851620.

FORM A

Pursuant to Clause 31(a) of the Listing Agreement

Covering letter of the Annual Audit Report to be filed with the Stock Exchange
(SEBI Circular No.CIR/CFD/DIL/7/2012 dated 13th August, 2012)

1.	Name of the Company	KOTHARI WORLD FINANCE LIMITED
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed -	
	<ul style="list-style-type: none"> Managing Director 	<p>For KOTHARI WORLD FINANCE LIMITED</p>  <p>NITESH KOTHARI Director</p>
	<ul style="list-style-type: none"> CFO 	Not Applicable
	<ul style="list-style-type: none"> Auditor of the company 	<p>For Shahade & Associates Chartered Accountants Firm's Registration No. 109840W</p>  <p>Shubhada Shahade Partner Membership No. 38342</p>
	<ul style="list-style-type: none"> Audit Committee Chairman 	<p>For KOTHARI WORLD FINANCE LIMITED</p>  <p>Jeetendra Wala Chairman Audit Committee</p>