

30th September, 2016

To
The Manager
BSE Limited
Corporate Relations Department,
1st Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai- 400 001

Dear Sir,

Ref: SCRIP CODE: 511138

REG: Compliance under Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation").

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation") Please find enclosed herewith Annual Report 2015-2016 being approved and adopted in the 31st Annual General Meeting of the Company held on 30th September, 2016 at 9.30 a.m. at the Registered Office of the Company situated at C-121, Mittal Tower, Nariman Point, Mumbai -400021 for your record.

Thanking you and assuring you of our best co-operation at all times.

Yours sincerely,

For KOTHARI WORLD FINANCE LIMITED


NITESH KOTHARI
DIRECTOR
(DIN: 00024195)

Place: Mumbai

Date: 30th September, 2016

Encl: as above

KOTHARI WORLD FINANCE LTD.

C-121, Mittal Tower, Nariman Point, Mumbai - 400 021 (India) • www.kothariworld.com

Tel. +91-22-22851620 • Fax: +91-22-22871695 • Email: info@kothariworld.com • CIN: L65993MH1985PLC035005



Annual Report

2015-16

KOTHARI WORLD FINANCE LIMITED.

31st Annual General Meeting

on FRIDAY, 30th September 2016

KOTHARI WORLD FINANCE LIMITED

ANNUAL REPORT 2015-2016

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BOARD OF DIRECTORS

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

CHIEF FINANCIAL OFFICER

Ms. Varsha Prabhakar Tambe

BOARD COMMITTEES

AUDIT COMMITTEE		NOMINATION AND REMUNERATION COMMITTEE	
Ms Meena Dalvi	Chairperson	Ms Meena Dalvi	Chairperson
Mr. Jayesh H Gandhi	Member	Mr. Jayesh H Gandhi	Member
Mr. Nitesh Kothari	Member	Mr. Nitesh Kothari	Member
Ms Nina Ashar	Member	Ms Nina Ashar	Member
STAKEHOLDERS RELATIONSHIP COMMITTEE			
Mr. Nitesh Kothari	Chairman		
Mr. Manohar Mhatre	Member		

KOTHARI WORLD FINANCE LIMITED

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 Pool, Andheri Kurla Road
Andheri East, Mumbai-400072

AUDITORS

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

31st Annual General Meeting on Friday, 30th September 2016 at 9.30 A.M at the Registered Office of the company at 121/C, Mittal Tower, 12th Floor, Nariman Point, Mumbai 400021

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF KOTHARI WORLD FINANCE LIMITED WILL BE HELD ON FRIDAY, 30TH SEPTEMBER 2016 AT 9.30 A.M AT 121/C, MITTAL TOWER, 12TH FLOOR, NARIMAN POINT, MUMBAI – 400021 TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as of 31st March, 2016 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 (Din No. 00024195) who retires by rotation and being eligible offers himself for reappointment.
3. To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provision of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions, if any, of the Companies Act, 2013, read with rules made thereunder, the appointment of Shahade & Associates, Chartered Accountants, Mumbai (Registration number 109840W) as the Statutory Auditors of the Company until 34th Annual General Meeting is hereby ratified in this Annual General Meeting till conclusion of next Annual General Meeting, with remuneration as may be decided by the Board of Directors.”

**FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
KOTHARI WORLD FINANCE LIMITED**

**DATE: 8TH AUGUST, 2016
PLACE: MUMBAI**

**Sd/-
LIZA KOTHARI
MANAGING DIRECTOR
(DIN NO. 01273272)**

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 SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/AUTHORITY, AS APPLICABLE. PURSUANT TO THE PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH THE APPLICABLE RULES THEREON, A PERSON CAN ACT AS A PROXY ON BEHALF OF 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 THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution to the Company, authorising their representative to attend and vote on their behalf at the meeting.
3. Members/Proxies should bring duly filled attendance slips attached herewith for attending the meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 20th September 2016 to Friday, 30th September 2016 (both days inclusive).
6. As per RBI notification, with effect 1, 2009 from October, the remittance of money through ECS is replaced by National Electronic Clearing Services (NECS) and banks have been instructed to move to the NECS platform. This is in addition to the existing facility of ECS in other locations. NECS essentially operates on the new and unique bank account number, allotted

KOTHARI WORLD FINANCE LIMITED

by banks pursuant to implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transaction.

In this regard, shareholders holding shares in electronic form are requested to furnish the new 9-digit Bank Account Number allotted to them by your bank, (after implementation of CBS), along with photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP). Please send these details to the Company/Registrars, if the shares are held in physical form, immediately.

7. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The Company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.
8. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4.
9. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (D.P.) ID number on all correspondence with the Company.
10. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting, as extra copies will not be provided.
11. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from the Registrar and Transfer Agent
12. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In Continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the company /Registrar and Share Transfer Agent for registration of such transfer of shares.
13. Details under Regulation 36 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, forms integral part of the notice.
14. 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 AGM.
15. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.
16. Company will be disclosing to the Stock Exchanges, as per Regulation 44 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of results of voting on each of the resolutions proposed in this Notice.

Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to **SHAREX DYNAMIC (INDIA) PRIVATE LIMITED**. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.

17. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays, up to and including the date of the Annual General Meeting of the Company.
18. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies(Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 31st Annual General Meeting(AGM) by electronic means and the business may be transacted through E-Voting Services by National Services Depository Limited

The instructions for shareholders voting electronically are as under:

The instructions for remote e-Voting are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and SME ITP of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through Polling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the Annual General Meeting (AGM) may also attend the Annual General Meeting (AGM) but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on Tuesday 27th September, 2016 at 9.00 A.M. and ends on Thursday 29th September, 2016 at 5.00 P.M. During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday 23rd September, 2016 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder – [Login](#)
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select “EVEN” of “KOTHARI WORLD FINANCE LIMITED”. Members can cast their vote online from Tuesday 27th September, 2016 (9:00 am) till Thursday 29th September, 2016 (5:00 pm). Note: e-Voting shall not be allowed beyond said time.
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to lodhauma@yahoo.co.in with a copy marked to evoting@nsdl.co.in
 - (i) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of (Friday 23rd September, 2016).
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday 23rd September, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or **SHAREX DYNAMIC (INDIA) PRIVATE LIMITED** However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mrs. Uma Lodha, having (Membership No. 5363) Company Secretary, has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the Annual General Meeting , at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Polling Paper” for all those members who are present at the Annual general Meeting but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual general Meeting , a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company <http://www.kothariworld.com/> and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Bombay Stock Exchange Limited, Mumbai.
19. The Scrutinizer shall after the conclusion of voting at the General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM), a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
20. The Company has appointed Mrs. Uma Lodha Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer’s Report shall be available on the Company’s website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the stock exchanges.
21. MEMBERS MAY NOTE THAT NO GIFTS/GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

ANNEXURE A

Details of Directors as on March 31st, 2016 seeking re-appointment at the Annual General Meeting Scheduled to be held on Friday, 30th September, 2016.

(Regulation 36 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Shri. Nitesh Kothari

A. A brief resume of the director and Nature of his expertise in specific function areas:

Mr. Nitesh P Kothari is a Non-Executive Director of the Company since 29th August 2002. He 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. He has 18 years of experience in various fields of construction, project implementation, software, and securities exchange services. He has a rich Experience in analysis, consulting, law, accounting, project Leader, making web applications, designing, conceptualizing and presentation. He has a track record of solving complex problems and completing projects on schedule within budget.

B. Disclosure of relationships between directors inter-se:

Smt. Liza Kothari, Managing Director of the Company is the spouse of Shri Nitesh Kothari. None of the other Directors are related to any other Director on the Board.

C. Name of the listed entities in which the person also holds the directorship and the membership of Committees of the board: NIL

D. Shareholding in the Company :

6, 83,575 Equity shares as on 31st March, 2016

DIRECTORS' REPORT

The Members of KOTHARI WORLD FINANCE LIMITED

Dear Shareholders,

Your Directors have pleasure in presenting the 31st Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2016.

FINANCIAL SUMMARY OF THE COMPANY:

	2015-16	2014-15
Total Income	343.14	333.80
Profit before depreciation	235.00	200.04
Less : Depreciation	52.97	72.02
Profit before Tax	182.03	128.02
Provision for Taxation:		
- Current Tax	48.50	51.00
- Deferred Tax Liability / (Asset)		23.31
- Add: Excess/(Short) Provision		(0.016)
Profit after tax	133.53	100.35
Profit brought forward from Previous Years	245.79	165.93
Less: Transfer to Statutory Reserve	26.71	20.07
Less: Depreciation adjustment for previous year	0.00	0.42
Surplus carried forward	352.61	245.79

KOTHARI WORLD FINANCE LIMITED

REVIEW OF OPERATIONS/PERFORMANCE:

During the financial year under review, the Company has earned total income of Rs.343.14 Lacs as compared to Rs 333.80 Lacs for the previous year. Profit after Tax stood at Rs.133.53 Lacs as compared to Rs 100.35 Lacs for the previous year.

DIVIDEND:

The Directors of the Company have decided to conserve the resources and no dividend is being recommended.

TRANSFER TO RESERVES

Company does not propose to transfer any amount to the General Reserves. But company has transferred an amount of Rs.26, 70,628/- to Statutory Reserves. An amount of Rs.1, 06, 82,512/- is proposed to be retained in the Statement of Profit and Loss Account.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of the (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 entered with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

DISCLOSURE IN COMPLIANCE WITH THE ACCOUNTING STANDARD ON "RELATED PARTY DISCLOSURES:

As required under Regulation 34 of the (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 with Stock Exchanges, the disclosure in compliance with the accounting standard on "related party disclosures are enclosed as a part of this report.

HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

- There are no subsidiary Companies of Kothari World Finance Limited
- Your Company has the following Companies as its Associate Companies at the year end. Statement containing salient features of the financial statement of the following Associate Companies are made in Form AOC-1 as (Part "B": associates) and attached to this report as **Annexure –D**

Sr. No.	Name of the Company	Joint Venture/ Associate	No. of shares held in%
1.	International Health Care Products Limited (CIN: U70200MH1985PLC036438)	Associate	26.11
2.	Atamdeep Engineers Private Limited (CIN: U29259GJ1988PTC011126)	Associate	21.13

- Your Company does not have any Joint Venture Company at the year end.

CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:

Your Company has taken adequate steps to adhere to all the stipulations laid down in Regulation 34(3) read with Schedule V of the (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the M/s. Uma Lodha & Co. Practicing Company Secretaries confirming the compliance with the conditions of Corporate Governance as stipulated under (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 is included as a part of this report.

The Company is regularly complying with Corporate Governance practices and also uploading the information under Corporate Filing & Dissemination System (corpfilng). Your Company has also been enlisted in the new SEBI compliant redressal system (SCORES) enabling the investors to register their complaints if any for speedy redressal.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2015-16 to Bombay Stock Exchange where the Company's Shares are listed.

Further, the Securities and Exchange Board of India (SEBI) issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") on 2nd September, 2015. The Listing Regulations were effective from 1st December,

KOTHARI WORLD FINANCE LIMITED

2015. Accordingly, all the listed entities were required to execute fresh listing agreement with Stock Exchanges where the shares of the Company were listed. The fresh agreement had to be executed within six months from the effective date. The Company entered into fresh Listing Agreement with BSE Limited (BSE)

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.

99.85% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2016 and balance 0.15% is in physical form. The Company's Registrars are Sharex Dynamic (India) Private Limited Situated at Unit - 1, Luthra Indl. Premises, Safed Pool, Andheri Kurla Road., Andheri (E), Mumbai – 400 072

PUBLIC DEPOSIT:

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 and the necessary rules made there under during the year ended 31st March, 2016.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The particulars of loans, guarantees and investment have been disclosed in the notes to the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your company has an effective internal control and risk – mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s A. R Shetty & Company (Firm Registration No.110087W) Chartered Accountant. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observation and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company understands and values Corporate Social Responsibility (CSR) initiatives of the Government and has also noted the requirements of CSR activities in terms of Companies Act, 2013. The requirement of mandatory implementation of CSR activity is presently not applicable to your company.

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

(A) Conservation of energy:

Considering the nature of business activities carried out by the Company, your Directors have nothing to report with regard to conservation of energy as required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(B) Technology absorption:

The management keeps itself abreast of the technological advancements in the industry and has adopted the state of the art transaction, billing and accounting systems and also risk management solutions.

(C) Foreign exchange earnings and Outgo:

a) The foreign exchange earnings - Nil (previous year Nil).

KOTHARI WORLD FINANCE LIMITED

b) The foreign exchange expenditure – Nil (previous year Nil).

STATE OF AFFAIRS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

DISCLOSURES UNDER SECTION 134(3) (I) OF THE COMPANIES ACT, 2013:

There no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

In accordance with the provision of Section 152(6)(a) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Nitesh Kothari, Director (DIN: 00024195) of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers, himself for reappointment. Your Board recommends his re-appointment.

DECLARATION OF INDEPENDENCE:

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013 read with the Schedules and Rules issued there under as well as Regulation 25 of the Listing Regulations.

BOARD EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance, Board committees and individual Directors pursuant to the provisions of the Act and the Corporate Governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In a separate meeting of independent Directors, performance of non-independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the Board Meeting that followed the meeting of the Independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:

The information required under Section 197 of the Companies Act, 2013 read with Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in "Annexure [C]" to this Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3) (c) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- (a) In the preparation of the Annual Accounts for the year ended 31st March 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

KOTHARI WORLD FINANCE LIMITED

- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors have prepared the Annual Accounts on a going concern basis; and
- (e) 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.
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES:

(i) Audit Committee:

The Board has constituted a well-qualified Audit Committee with majority of them being Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. Ms. Meena Dalvi, Director acts as Chairperson to the Audit committee.

Sr. No.	Name of the Director	Designation in the Committee
1.	Ms. Meena Dalvi	Chairperson
2.	Ms Nina Ashar	Member
3.	Mr. Jayesh H Gandhi	Member
4.	Mr. Nitesh Kothari	Member

(ii) Nomination and Remuneration Committee:

The Composition of Nomination and Remuneration Committee comprises the following:

Sr. No.	Name of the Director	Designation in the Committee
1.	Ms. Meena Dalvi	Chairperson
2.	Ms Nina Ashar	Member
3.	Mr. Jayesh H Gandhi	Member
4.	Mr. Nitesh Kothari	Member

(iii) STAKEHOLDERS RELATIONSHIP COMMITTEE:

The composition of stakeholder's relationship committee comprises of the following:

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

AUDITORS AND AUDITORS' REPORT:

STATUTORY AUDITORS:

M/s. Shahade & Associates, Chartered Accountants, having (Registration number 109840W), Mumbai, the Statutory Auditors of the Company hold the office up to the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment for the financial year 2016-2017. Your Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued there under.

As required under Regulation 18 read with Part C of Schedule II of the Listing Obligations and Disclosure Requirements Regulations, 2015, the Audit Committee and the Board of Directors recommend the appointment of M/s. Shahade & Associates, Chartered Accountants, as Auditors of your Company for the financial year 2016- 17 till the conclusion of the next AGM. The Auditors' Report for the financial year 2015-16, does not contain any qualification, reservation or adverse remark.

AUDITORS' REPORT:

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

KOTHARI WORLD FINANCE LIMITED

SECRETARIAL AUDIT:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/S Uma Lodha & Co., Practicing Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as "Annexure - [B]" to this Report. The Secretarial Audit Report contains a qualification, reservation or adverse remark regarding non compliance of Section 203 of the Companies Act, 2013. The Auditor has mentioned in their report about non appointment of Company Secretary and noncompliance regarding publication under Regulation 47 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The Company will put all efforts to appoint a Company Secretary at the earliest.

EXTRACT OF THE ANNUAL RETURN:

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rule, 2014, the Extract of Annual Return (Form No. MGT-9) as on the financial year ended on 31st March, 2016 is enclosed as Annexure – A to the Directors' Report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEES:

Your Board of Directors has duly met four (4) times during the financial year under review, i.e. on 20th May 2015, 28th July 2015, 30th October 2015 and 1st February 2016 respectively in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Audit Committee has duly met four (4) times during the financial year under review, i.e. on 20th May 2015, 28th July 2015, 30th October 2015 and 1st February 2016 respectively in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the Listing Obligations and Disclosure Requirements Regulations, 2015, a Vigil Mechanism for Directors and employees to report genuine concerns has been established.

The purpose of the "Whistle blower Policy" is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and/or discrimination as a result of such a reporting, provided it is justified and made in good faith. The Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy.

The Vigil Mechanism Policy has been uploaded on the website of the Company at www.kothariworld.com under investor's relations /policies/Vigil Mechanism.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts, if any, are entered during the year as per Form AOC-2 is enclosed as Annexure-E. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement. This Policy was considered and approved by the Board has been uploaded on the website of the Company at www.kothariworld.com under investors relations /policies/Policy on Related Party Transaction.

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CODE OF CONDUCT:

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behaviors of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as “code of business conduct” which forms an Appendix to the Code. The Code has been posted on the Company’s website www.kothariworld.com under investor relations /policies/Code of Conduct for Board of Directors and Senior Management.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

RISK MANAGEMENT:

Pursuant to Section 134(3) (n) of the Companies Act, 2013 & Regulation 21 of the Listing Obligations and Disclosure Requirements Regulations, 2015, the Company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report forming part of the Boards report. At present the company has not identified any element of risk which may threaten the existence of the company.

SAFETY OF WOMEN AT WORK PLACE:

As required by the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has formulated and implemented a policy on prevention of sexual harassment at workplace. During the year under review, no complaints were reported to the Board. This Policy was considered and approved by the Board has been uploaded on the website of the Company at www.kothariworld.com under investor relations/policies/prevention of Sexual Harassment at workplace.

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 Board is responsible for implementation of the Code.

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

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

GENERAL DISCLOSURES:

- **DISCLOSURE UNDER SECTION 43(a)(ii) OF THE COMPANIES ACT, 2013**
The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- **DISCLOSURE UNDER SECTION 54(1)(d) OF THE COMPANIES ACT, 2013**
The Company has not issued any sweat equity shares during the year under review and hence no information as per provisions of Section 54(1) (d) of the Act read with Rule 8(13) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- **DISCLOSURE UNDER SECTION 62(1)(b) OF THE COMPANIES ACT, 2013**
The Company has not issued any equity shares under Employees Stock Option Scheme during the year under review and hence no information as per provisions of Section 62(1) (b) of the Act read with Rule 12(9) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.
- **DISCLOSURE UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013**

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During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Act read with Rule 16(4) of Companies (Share Capital and Debentures) Rules, 2014 is furnished.

ACKNOWLEDGMENT:

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

**By Order of the Board
For KOTHARI WORLD FINANCE LIMITED**

**Sd/-
Nitesh Kothari
Director
(DIN: 00024195)**

**Sd/-
Liza Kothari
Managing Director
(DIN: 01273272)**

**Sd/-
Varsha Tambe
Chief Financial Officer**

**Place: Mumbai
Date: 8th August, 2016**

Annexure [A] to Board's Report
Extract of Annual Return as on 31st March, 2016
Form No. MGT-9

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

I. REGISTRATION AND OTHER DETAILS:

1. Corporate Identity Number (CIN)	: L65993MH1985PLC035005
2. Registration Date	: 05/01/1985
3. Name of the Company	: Kothari World Finance Limited
4. Category/Sub-Category of the Company	: Company Limited By shares / Indian Non- Government Company
5. Address of the Registered Office and contact details	: 121/C Mittal Tower, 12 TH Floor, Nariman Point. Mumbai 400021
6. Whether listed Company (Yes/No)	: YES
Name, Address and Contact details of Registrar and Transfer Agent, if any	: Sharex Dyanamic (India) Private Limited Address: Unit- 1, Luthra Industrial Premises, Safeed Pool, Andheri Kurla Road. (Andheri East). Mumbai- 400072. Contact: 28515606.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the product /service	% to the total turnover of the Company
1.	License Fees	67	72.44
2.	Share Trading and Commodities	67	17.98

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

- There are no subsidiary Companies of Kothari World Finance Limited
- Your Company has the following as its Associate Companies at the year end. Statement containing salient features of the financial statement of the following Associate Companies are made in Form AOC-1 as (Part "B": associates) and attached to this report as **Annexure –D**

Sr. No.	Name of the Company	Joint Venture/ Associate	No. of shares held in%
1.	International Health Care Products Limited (CIN: U70200MH1985PLC036438)	Associate	26.11
2.	Atamdeep Engineers Private Limited (CIN: U29259GJ1988PTC011126)	Associate	21.13

Your Company has does not have any Joint Venture Company at the year end.

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

I. 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	2121725	0	2121725	28.527	2121725	0	2121725	28.527	0
b). Central Govt. Govt.(s)	0	0	0	0	0	0	0	0	0
d). Bodies Corporate	2675620	0	2675620	35.975	2663620		2663620	35.81	0.16
e) Banks/FI	0	0	0	0	0	0	0	0	0

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f) Any Other..	0	0	0	0	0	0	0	0	0
Sub-Total (A) (1):-	4797345	0	4797345	64.502	4785345	0	4785345	64.34	0.162
(2) Foreign	0	0	0	0	0	0	0	0	0
a). NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other..	0	0	0	0	0	0	0	0	0
Sub-total (A)(2) :-	0	0	0	0	0	0	0	0	0
Total Shareholding of Promote (A) = (A) (1)+(A)(2)	4797345		4797345	64.502	4785345	0	4785345	64.341	0.162
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a). Mutual Funds	0	0	0	0	0	0	0	0	0
b). Bank/FI	0	0	0	0	0	0	0	0	0
c). Central Govt.	0	0	0	0	0	0	0	0	0
d). State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i).. Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):-	0	0	0	0	0	0	0	0	0

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	
2..Non-Institutions									
a).. Bodies Corp.									
i).. Indian	87152	0	87152	1.172	85737	0	85737	1.153	0.022
ii) Overseas	0	0	0		0	0	0	0	0
b).. Individuals									
i). Individual shareholders holding nominal share capital upto Rs.1 lakh.	81248	11050	92298	1.241	65725	11050	76775	1.032	0.209
ii). Individual shareholders holding nominal share capital in excess of Rs.1 lakh	2460655	0	2460655	33.084	2486243	0	2486243	33.428	0.344
c).. Others clr mem	50	0	50	0.001	3400	0	3400	0.046	0.045
d)NRI	0	0	0	0	0	0	0	0	0

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Sub-Total (B)(2)	2629105	11050	2640155	35.498	2641105	11050	2652155	35.659	0.161
Total Public Shareholding (B)=(B)(1)+(B)(2)	2629105	11050	2640155	35.498	2641105	11050	2652155	35.659	0.161
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	7426450	11050	7437500	100	7426450	11050	7437500	100	0

ii). **Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	
1.	Nitesh Prataprai Kothari (HUF)	312500	4.202	0	312500	4.202	0	0
2.	Liza Kothari	623650	8.385	0	623650	8.385	0	0
3.	Nitesh Prataprai Kothari	683575	9.191	0	683575	9.191	0	0
4.	Kaumudi Kothari	369500	4.968	0	369500	4.968	0	0
5.	Steady Mercantile Co Pvt Ltd	140000	1.882	0	140000	1.882	0	0
6.	D. Dahyabhai and Co Pvt Ltd	960300	12.912	0	960300	12.912	0	0
7.	Mithani Agriculture Private Limited	250200	3.364	0	250200	3.364	0	0
8.	Atamdeep Engineers Private Limited	30000	0.403	0	18000	0.242	0	0.161
9.	Paras Silk Mills Private Limited	237450	3.193	0	237450	3.193	0	0
10.	VIP Construction Private Limited	148070	1.991	0	148070	1.991	0	0
11.	Amity Agriculture Private Limited	251600	3.383	0	251600	3.383	0	0
12.	Mansi Engineers Private Limited	56250	0.756	0	56250	0.756	0	0
13.	Kaikhusroo Manekji Mehta Stone and Engineering Works Private Limited	70500	0.948	0	70500	0.948	0	0
14.	International Health Care Products Limited	281250	3.782	0	281250	3.782	0	0
15.	Spectrum Capital Private Limited	250000	3.361	0	250000	3.361	0	0
16.	Nitesh Prataprai Kothari (HUF)	132500	1.782	0	132500	1.782	0	0
	TOTAL	4797345	64.502	0	4785345	64.34	0	0

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the Year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Atamdeep Engineers Private Limited	30000	0.40	18000	0.24

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iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1.	RAMESH RAMCHANDANI	155775	2.09%	1274004	17.13%
2.	MANISH SARDA	149000	2.00%	138000	1.85%
3.	DEEPAK SARDA	138000	1.85%	149000	2.00%
4.	DARSHIT NITIN GORADIA	102617	1.38%	102617	1.38%
5.	SANTOSH SARDA	101500	1.36%	101500	1.36%
6.	LAXMICHAND VIJAYGOPAL RATHI	87525	1.18%	0	0
7.	KIRAN LAXMICHAND RATHI	86500	1.16%	0	0
8.	MANJULA BHAGWANJI PATEL	81625	1.112%	0	0
9.	BHAGWANJI NARSI PATEL	82750	1.11%	0	0
10.	PAVAN ANIL GANDHI	75022	1.01%	62872	0.85%

v.) Shareholding of Directors and Key Managerial Personnel:

Sr.No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the Company
1.	Nitesh Prataprai Kothari	683575	9.191	683575	9.191
2.	Liza Nitesh Kothari	623650	8.385	623650	8.385
3.	Manohar M Mhatre	40000	0.54	40000	0.54

V. INDEBTEDNESS: NIL

Indebtedness of the Company including interest outstanding/accrued but not due for payment. There has been no indebtedness of the Company during the period under review.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-Time Directors and/or Manager

Sr.No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (Rs)
		Liza Nitesh Kothari		
1.	Gross Salary			
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	12,00,000		12,00,000
	(b). Value of perquisites u/s17(2) Income-tax Act, 1961	---		---
	(c). Profits in lieu of salary under section 17(3) Income-tax Act, 1961	---		---
2.	Stock Option	---		---
3.	Sweat Equity	---		---
4.	Commission	---		---
	- As % of Profit	---		---
	- Others specify	---		---
5.	Others, please specify (Bonus)	---		---
	Ceiling as per the Act	42,00,000		---
	Total	12,00,000		12,00,000

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B. Remuneration of other Directors:

I. Independent Directors:

Particulars of Remuneration	Name of Directors			Total Amount (Rs)
	Jayesh Gandhi	Meena Dalvi	Nina Ashar	
Fees for attending Board and Committee meetings	2400	2400	1200	6000
Commission	---	---	---	---
Others	---	---	---	---
Total (1)	2400	2400	1200	6000

II. Other Non-Executive Directors:

(` . In lacs)

Other Non-Executive Directors	
Fees for attending board committee meetings	---
Commission	---
Others	---
Total (2)	---
Total B = (1+2)	0.06
Ceiling as per the Act	NA

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C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD:

Sr.No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL			
		CFO	Company Secretary	CEO	Total
1.	Gross Salary				
	(a). Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	201935	—	—	201935
	(b). Value of perquisites u/s17(2) Income-tax Act, 1961	20968	—	—	20968
	(c). Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—	—	—
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity				
4.	Commission - As % of Profit - Others specify	NIL	NIL	NIL	NIL
5.	Others, please specify (Bonus)	57000	NIL	NIL	57000
	Total	279903	NIL	NIL	279903

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL

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			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

By Order of the Board
For KOTHARI WORLD FINANCE LIMITED
Sd/-
Nitesh Kothari
Director
(DIN: 00024195)

Sd/-
Liza Kothari
Managing Director
(DIN: 01273272)

Place: Mumbai
Date: 08th August, 2016

ANNEXURE B**Form MR-3****SECRETARIAL AUDIT REPORT**

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

To

**The Members of
KOTHARI WORLD FINANCE LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provision and the adherence to good corporate practices by M/s. KOTHARI WORLD FINANCE LIMITED (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of 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 31st March, 2016 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, minutes' books, forms and returns filed and other records maintained by M/s. KOTHARI WORLD FINANCE LIMITED for the financial year ended 31st March, 2016 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the rules made there under;
- II. The Securities Contracts (regulation) Act, 1956 (SCRA) and the rules made there under;
- III. The Depositories Act, 1996 and the Regulations any Bye-laws framed there under;
- IV. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992(now known as SEBI (prohibition of Insider Trading) Regulation 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;
Not applicable to the Company for the year under review
 - e) The Securities and Exchange Board of India (Registrars to issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- VI. There are no laws specifically applicable in relation to the business of the Company except that the Company is a Non-banking Finance Company registered with Reserve Bank of India.
Further, the Company is complying with the necessary compliance as prescribed by Reserve Bank of India.

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) The Listing Agreements entered into by the company with Bombay Stock Exchange Limited and National Stock Exchange of India Limited.
- c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except Listing Obligations and Disclosure Requirements) Regulations, 2015.to the extent as mentioned below:

KOTHARI WORLD FINANCE LIMITED

- *The Company has failed to comply with the necessary provisions of Section 203 of the Companies Act, 2013. The Company has failed to appoint Company Secretary of the Company during the year under review.*
- *The Company has failed to comply with the compliances as stated under Regulation 47 (4) of Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding publication of information at sub-regulation (1) in the language of the region, where the registered office of the listed entity is situated. The Company is publishing all the information in English language in Marathi newspaper.*

I further report that there were no events/actions in pursuance of:

- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009 and
- The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998;

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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

We further report that during the audit period there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Place: Mumbai

Date: 8th August, 2016

For Uma Lodha & Company

Sd/-

Proprietor

ACS/FCS No.: 5363

C.P. No.2593

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE B(i)' and forms an integral part of this report.

ANNEXURE B (i)

To,
The Members,
KOTHARI WORLD FINANCE LIMITED

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

- 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.
- We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 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 procedures on test basis.
- 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: Mumbai
Date: 8th August, 2016

For Uma Lodha & Company
Sd/-
Proprietor
C.P. No. 2593

Annexure [C] to Board's Report

Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Particulars of employees

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a) **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Executive Directors	Total Remuneration	Ratio to median remuneration
Liza Kothari	1200000	4.93
Non-executive directors		
Jayesh Gandhi	2400	0.0099
Jeetendra Wala	2400	0.0099
Meena Dalvi	2400	0.0099

- b) **The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Liza Kothari	Nil
Varsha Tambe	11.76%

- c) **The percentage increase in the median remuneration of employees in the financial year. 9.62%**
- d) **The number of permanent employees on the rolls of Company: 6**
- e) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**
The average annual increase was around 1.34% However, during the course of the year, the total increase is approximately 11.76% after accounting for promotions and other event based compensation revisions.
Increase in the managerial remuneration for the year was -nil.
- f) **Affirmation that the remuneration is as per the remuneration policy of the Company:**
The Company affirms remuneration is as per the remuneration policy of the Company.
- g) The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Compliance Officer.

ANNEXURE D

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in '.): Company does not have any Subsidiary companies.

Sr. No	NA
Name of the Subsidiary	
The date since when subsidiary was acquired	
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign Subsidiaries.	
Share Capital	
Reserves & surplus	
Total assets	

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Total Liabilities	
Investments	
Turnover	
Profit before taxation	
Provision for taxation	
Profit after Taxation	
Proposed Dividend	
Extent of Shareholder(in percentage)	

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

For KOTHARI WORLD FINANCE LIMITED

Sd/-

Nitesh Kothari
Director
(DIN: 00024195)

Sd/-

Liza Kothari
Managing Director
(DIN: 01273272)

Sd/-

Varsha Tambe
Chief Financial Officer

Place: Mumbai

Date: 8th August, 2016

Annexure [E] to Board's Report**FORM AOC-2****(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1) Details of contracts or arrangements or transactions not at Arm's length basis:

Sr. No	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements /transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section n 188	

2) Details of material contracts or arrangements or transactions at Arm's length basis:

Sr. No	Particulars	Details
a)	Name (s) of the related party	NIL
b)	Nature of Relation ship	
c)	Nature of contracts /arrangements /transaction	
d)	Duration of the contracts/arrangements / transaction	
e)	Salient terms of the contracts or arrangements or transaction	
f)	Justification for entering into such contracts or arrangements or transactions	
g)	Date of approval by the Board, if any.	
h)	Amount incurred during the year (Rs.In lakhs)	

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**a. Industry structure and developments:**

Given the strain on the economic scenario, your Directors are trying their best to maximize the profits of the Company and the stakeholders as a whole.

b. Opportunities and Threats:

The slowdown economy could have an impact in the market.

c. Segment-wise or product-wise performance:

Your Company is into Finance & Investment in Properties, Share Trading & Rental business by giving Properties on License basis. During the year under review, the comparative income from the Finance, Share Trading & License Fee Income from Property activity is as under:-

Sr.No.	Particulars	2015-2016 (Rs.in Lacs)	2014-15 (Rs.in Lacs)
1.	Finance	16.97	22.16
2.	License Fee	248.59	235.38
3.	Sale of Shares	61.70	75.69
4.	Other Income	1.17	0.57
5.	Speculation Income	14.72	(24.87)

d. Outlook:

Your company's major income is derived from rental by giving properties on License basis in Thane, Bhiwandi & Thangadh. The company expects current year to be good in terms of return on investment and also for further Investment in and around Mumbai City as initiative taken by the State and Central Government are positive and also due to passage of GST Bill in the Monsoon Session of the Parliament. As far as the capital market is concerned it is

positive and investment already done by the company has been appreciating. It is also to be noted that the premises at Thangadh hired by Central Warehousing Corporation are lying vacant as there is no supply of materials and therefore have vacated some of the godowns on expiry of Agreement period. During the year under review some godown premises at Thangadh Complex have been given to M/s. Edelweiss Agri Value Chain Limited on Leave & License Basis for shorter duration for storage of Agri Products. And they may continue for longer period if need be and your company is optimistic they may also hire more godowns premises in future.

e. Risks and concerns:

As expected the world economy is still in recession and there is still slowdown in economic growth of countries all over the world. Your company hopes that Make in India and Make in Maharashtra Policy of the Government may create new opportunities in the field of storage and Logistic which shall create good business & opportunities to the company in the near future. The company hopes, the Government will deal effectively with rising inflation, depreciation of rupee, lack of structural reforms and hassle free environment for doing business and to give push for bringing Indian Economy on fast track, with expectation in growth rate of 7% and above to the country's GDP. Your company expects to deal with general adverse capital market conditions by remaining cautious and moving forward strategically. During the year 2016-17, there are chances that your company's rental income may decrease from Thangadh Godown Premises as Central Warehousing Corporation is vacating the entire godowns on expiry of License Agreement entered with the company, but your company is hopeful that company will be able to generate income from the said godown premises in the coming months from other government & private organization.

f. Internal control systems and their adequacy:

Your company has an effective internal control and risk – mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s A. R Shetty & Company (Firm Registration No.110087W) Chartered Accountant. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observation and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

g. Discussion on financial performance with respect to operational performance:

The Financial year witness average market conditions, but your company was able to generate income and move the performance. Further in the current financial year the overall income of the company has increased from Rs.333.80 Lacs to Rs.343.15 Lacs. During the year under review, there was good volume in share & commodities and your company has incurred profit as compared to previous year. Profit before tax increased from (profit) Rs.128.02 Lacs to (Profit) Rs.182.04 Lacs. The company continued to be profitable by registering Profit after tax of Rs.133.54 lacs for the financial year 31/03/2016 as against (Profit) Rs.100.36 Lacs for the financial year 31/03/2015. During the financial year the consolidated financial statements of your company, which include the share of loss of the associate companies of Rs.106.56 Lacs and Minority Interest Rs.78.21 Lac has been accounted as per the 'Equity Method' and accordingly, the share of loss of the associate companies (the loss being restricted to the cost of investment) has been deducted from the cost of investment. Therefore the Net Profit after taxes, minority interest and share of profit of associates is Rs.105.19 Lacs.

h. Material developments in Human Resources / Industrial Relations front, including number of people employed:

Your Company considers Human Resource as key drivers to the growth of the Company. The Company has performance based appraisal system.

Date: 8th August, 2016
Place: Mumbai

For Kothari World Finance Limited
Sd/-
Liza Kothari
Managing Director
(DIN: 01273272)

CORPORATE GOVERNANCE REPORT

The Directors present the Company’s Report on Corporate Governance for the year ended March 31, 2016, in terms of Regulation 34(3) read with schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulation”).

1) COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE:

KOTHARI WORLD FINANCE LIMITED (Kothari) (“The Company”) 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;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of Listing Regulation is given below:

Governance structure:

The Corporate Governance structure at Kothari is as follows:

Board of Directors:

The Board is entrusted with an 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 disclosures.

Committees of the Board:

The Board has constituted the following Committees viz, Audit Committee, Remuneration and Nomination Committee and the Stakeholders’ Relationship Committee. Each of the said Committee has been mandated to operate within a given framework.

2) THE BOARD OF DIRECTORS:

Composition and Category of Directors:

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial and marketing background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements. The Company has a judicious mix of Executive and Non-Executive Directors. As on March 31st, 2016, the present Board comprises of 6 (Six) members consisting of 1 (one) Executive Director and 5 (Five) Non-Executive Directors out of which 3 (three) are Independent Directors. The details of each member of the Board along with the number of Directorship / Committee Membership are as given below:

Name of the Director	Category
Mrs. Liza Kothari	Managing Director
Mr. Nitesh Kothari	Non-Executive Director
Mr. Manohar Mhatre	Non-Executive Director
Ms. Nina Ashar	Non-Executive and Independent Director
Mr. Jayesh Gandhi	Non-Executive and Independent Director
Ms. Meena Dalvi	Non-Executive and Independent Director

Mrs. Liza Kothari is the wife of Mr. Nitesh Kothari.

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None of the other Directors is related to each other than Mrs. Liza Kothari and Mr. Nitesh Kothari.

Board Meetings Held During the Year:

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 approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. 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 vis-à-vis the budgets/targets.

In the Financial year 2015-16 the Board of Directors had met 4 (Four) times . These meetings were held on 20th May 2015, 28th July 2015, 30th October 2015 and 1st February 2016.

The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

The details of nature of Directorships, number of Directorships, Committee Chairmanships/memberships held by them in other public Companies and Shareholding

Name	Category of Director	No. Of Board Meetings Held	No. Of Board Meetings Attended	Attendance at the AGM held on 14 th September 2015	Directorships in other Indian Public Limited Companies (excluding Kothari)	No. of Board Committees in which Chairman / Member (excluding Kothari)	
						Chairman	Member
Mrs. Liza Kothari	Managing Director	4	4	Present	Nil	0	0
Mr. Nitesh Kothari	Non-Executive	4	4	Present	Nil	0	0
Mr. Manohar Mhatre	Non-Executive	4	3	Present	Nil	0	0
Ms. Meena Dalvi	Non-Executive (Independent)	4	4	Present	Nil	0	0
Mr Jayesh Shah	Non-Executive (Independent)	4	4	Present	1	2	3
Ms. Nina Ashar **	Non-Executive (Independent)	4	3	Present	Nil	0	0
Mr. Jeetendra Wala***	Non-Executive (Independent)	4	3	Present	Nil	0	0

** Ms. Nina Ashar was appointed as Additional Director w.e.f 28th July 2015

*** Mr. Jeetendra Wala resigned from the Board on 30th October 2015.

Notes:

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Chairmanship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships Committee in Indian Public Limited companies other than Kothari World Finance Limited. 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.
- Mrs. Liza Kothari is the wife of Mr. Nitesh Kothari.
- None of the other Directors is related to each other than Mrs. Liza Kothari and Mr Nitesh Kothari.

Independent Directors:

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the Listing Regulation. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulation has been issued and disclosed on website of the Company viz. www.kothariworld.com under investors/shareholder information/ independent director

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Post Meeting Mechanism:

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions.

No. of Shares held by Non-Executive Directors:

<u>Sr. No.</u>	<u>Name of Director</u>	<u>Category</u>	<u>No. of Shares held</u>
1	Ms. Meena Dalvi	Non-Executive (Independent)	NIL
2	Mr. Jayesh Shah	Non-Executive (Independent)	NIL
3	Ms. Nina Ashar **	Non-Executive (Independent)	NIL
4	Mr. Jeetendra Wala***	Non-Executive (Independent)	NIL

** Ms. Nina Ashar was appointed as Additional Director w.e.f 28th July 2015

*** Mr. Jeetendra Wala resigned from the Board on 30th October 2015.

Familiarization Programme for Directors:

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, Listing Regulation and other various statutes and an affirmation is obtained. The Managing Director also has a one to one discussion with the newly appointed Director to familiarize him with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries/associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization programme for Directors are available on the Company's website at www.kothariworld.com under investors/policies/Familiarization Program for Independent Director.

Governance Codes:

Code of Business Conduct & Ethics:

The Company has adopted Code of Business Conduct & 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's website – www.kothariworld.com under investors/policies/Final-Code of Conduct for Board and Senior Management.

Conflict of Interests:

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. The Members of the Board while discharging their duties, avoid conflict of interest in the decision making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

Insider Trading Code:

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed company.

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations.

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website viz. www.kothariworld.com under investors/Code of Conduct/ of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders.

3. AUDIT COMMITTEE:

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 and Cost 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 Regulation. 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, 2016.

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, Managing Director, Director, Chief Financial Officer, Business Heads of the Company's Divisions, the representatives of the Statutory Auditors and the Internal Auditors are Permanent invitees to the Audit Committee Meetings. 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 Regulation. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site www.kothariworld.com under investors/ Quarterly Report/Financial Result 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 Fraud Risk Management Policy and 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.

Composition:

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 Regulation. 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. Ms. Meena Dalvi non-Executive, Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Mr. Jayesh Gandhi, Ms. Nina Ashar, and Mr. Nitesh Kothari

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 Regulation 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.

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Meetings and Attendance:

The Audit Committee met four times during the Financial Year 2015-16. The maximum gap between two meetings was not more than 120 days. The Committee met on 20th May 2015, 28th July 2015, 30th October 2015 and 1st February 2016. The necessary quorum was present for all Meetings. Mr. Jeetendra Wala, Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

On 30th October 2015, Mr. Jeetendra Wala tendered his resignation from the Board as well as from the Committees.

At the Board Meeting held on 30th October 2015 the said committee was reconstituted Ms. Meena Dalvi was appointed as the Chairperson of the Audit Committee.

The Table below provides the Composition and Attendance of the Audit Committee members:

Sr. No.	Name of the Director	Position	Category	No. of Meetings Attended
1	Mr. Jeetendra Wala	Chairperson Resigned from 30th October 2015	Non-Executive Independent	3
2	Ms Meena Dalvi	Chairperson W.E.F from 30th October 2015	Non-Executive Independent	4
3	Mr. Jayesh H Gandhi	Member	Non-Executive Independent	4
4	Mr. Nitesh Kothari	Member	Non-Executive Promoter	4
5	Ms. Nina Ashar	Member	Non-Executive Independent	3

4. REMUNERATION AND NOMINATION COMMITTEE:

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 Regulation, 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):

- a) To help in determining the appropriate size, diversity and composition of the Board;
- b) to recommend to the Board appointment/reappointment and removal of Directors;
- c) to frame criteria for determining qualifications, positive attributes and independence of Directors;
- d) 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);
- e) to create an evaluation framework for Independent Directors and the Board;
- f) to provide necessary reports to the Managing Director after the evaluation process
- g) is completed by the Directors;
- h) to assist in developing a succession plan for the Board;
- i) to assist the Board in fulfilling responsibilities entrusted from time-to-time;
- j) deleg ation of any of its powers to any Member of the Committee or the Compliance Officer.

Composition:

The Remuneration and Nomination Committee comprises of four Directors. Ms. Meena Dalvi non-Executive, Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Mr. Jayesh Gandhi, Ms. Nina Ashar, and Mr. Nitesh Kothari.

The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation.

Meeting and Attendance:

The Remuneration and Nomination Committee met once during the year i.e. on 27th July, 2015. The necessary quorum was present for the Meeting. Mr. Jeetendra Wala, Chairperson of the Remuneration and Nomination Committee was present at the last Annual General Meeting of the Company.

On 30th October 2015, Mr. Jeetendra Wala tendered his resignation from the Board as well as from the Committees.

At the Board Meeting held on 30th October 2015 the said committee was reconstituted Ms. Meena Dalvi was appointed as the Chairperson of the Audit Committee and Nomination and Remuneration Committee.

KOTHARI WORLD FINANCE LIMITED

The Table below provides the Attendance of the Remuneration and Nomination Committee.

Sr. No.	Name of the Director	Position	Category	No. of Meetings Attended
1	Mr. Jeetendra Wala	Chairperson Resigned with effect from 30 th October 2015	Non-Executive Independent	3
2	Ms. Meena Dalvi	Chairperson with effect from 30 th October 2015	Non-Executive Independent	4
3	Mr. Jayesh H. Gandhi	Member	Non-Executive Independent	4
4	Mr. Nitesh Kothari	Member	Non-Executive Promoter	4
5	Ms. Nina Ashar	Member	Non-Executive Independent	3

Performance Evaluation Criteria of the Board:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, 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 Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation

5. REMUNERATION POLICY:

A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of remuneration and Sitting Fees. Mr. Jayesh Gandhi, Ms Meena Dalvi and Ms. Nina Ashar are paid sitting fees for each meeting of the Board or Committee of Directors attended by them. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2015-16 was Rs.9600/- The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

B. Remuneration to Executive Directors:

The appointment and remuneration of Executive Directors including Managing Director is governed by the recommendation of the Remuneration and Nomination Committee, resolutions passed by the Board of Directors and shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Managing Director Comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings. Annual increments are linked to performance and are decided by the Remuneration and Nomination Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Presently, the Company does not have a stock options scheme for its Directors. The Remuneration and Nomination Policy is displayed on the Company's website viz. www.kothariworld.com under investor relation/Policies/Nomination and Remuneration Policy of Kothari World Finance Limited.

Details of the remuneration paid to the Directors of the Company for the financial year ended 31st March, 2016 is as follows:

(Amount in Rs.)

Sr. No.	Name of the Director	Salary	Perquisites	Total
1.	Ms. Liza Kothari	12,00,000/-	Nil	12,00,000/-

Company has not granted any stock options to any of its Directors.

Criteria for selection, appointment and remuneration of directors and KMPs

The Nomination and Remuneration (N&R) Committee has adopted policies which, inter alia, deals with the manner of selection, appointment and remuneration of Directors and KMPs

KOTHARI WORLD FINANCE LIMITED

Criteria of selection of Non-Executive Directors

- A Director shall possess appropriate skills, experience and knowledge in one or more fields of capital market, banking, finance, regulatory, administration, legal, commercial, science and technology or other disciplines related to the company's business.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-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 are qualified for appointment as Directors pursuant to Companies Act, 2013 and SECC Regulations, 2012:
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
 - Qualification, expertise and experience of the Directors in their respective fields;
 - Personal, Professional or business standing;
 - Diversity of the Board

Remuneration policy for Managing Director & Chief Financial Officer

The appointment, reappointment, remuneration payable and variation in terms of appointment are subject to the approval of the Nomination and Remuneration Committee /Board/Shareholders and SEBI pursuant to the provisions of the Companies Act, 2013.

Senior Management and other employees

Remuneration to Key Managerial Personnel (KMP), Senior Management and all other Officers comprises of Fixed and Variable components. The same are reviewed annually based on the performance appraisal ratings and annual increments on fixed pay and Performance Linked Bonus on variable pay is paid against the individual ratings of all officers.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

This Committee has been constituted for allotment of shares of the Exchange issued / to be issued, from time to time and to look into the redressal of shareholder and investors complaints and is also in line with the prevailing guidelines on corporate governance.

Terms of Reference:

The Board has clearly defined the terms of reference for this committee, which generally meets once a quarter. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- 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 availment of various facility from Banks/Financial Institutions;
- to grant authority to execute and sign foreign exchange contracts and derivative transactions;
- 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, Sharex Dynamic (India) 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.

Composition, Meeting and Attendance:

This Stakeholders Relationship Committee comprises of two Directors Mr. Nitesh Kothari Non-Executive Director is the Chairperson of the Stakeholders Relationship Committee. The other members of the Stake holders Relationship include Mr. Manohar Mhatre. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.

KOTHARI WORLD FINANCE LIMITED

Sr. No.	Name of the Director	Position	Category	No. of Meetings Attended
1	Mr. Nitesh Kothari	Chairperson	Non-Executive	26
2	Mr. Manohar Mhatre	Member	Non-Executive	26

Name and designation of Compliance officer

Mr. Manohar Mhatre is the Compliance Officer.

Details of shareholders' complaints received, solved and pending share transfers:

The total number of complaints received and resolved during the year ended March 31, 2016 was nil there were nil complaints outstanding as on March 31, 2016. The number of pending share transfers and pending requests for dematerialization as on March 31, 2016 were nil

Shareholders'/Investors' complaints and other correspondence are normally attended to within 15 working days except where constrained by disputes or legal impediments.

No investor grievances remained unattended / pending for more than thirty days as on March 31, 2016.

Nature of Complaints	Complaints Received	Complaints Redressed
Non receipt of Dividend	Nil	Nil
Non receipt of shares lodged for transfer	Nil	Nil
Non receipt of Duplicate/Consolidated Share Certificate	Nil	Nil
Non Receipt of demat/remat request	Nil	Nil
Others	Nil	Nil
Total	Nil	Nil

7. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 1st February, 2016 inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the 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 for this Meeting

GENERAL BODY MEETINGS

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

Year	Location	Date	Time	No. of Special Resolution Passed
2012-2013	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI – 400021	27 th SEPTEMBER, 2013	11.30 A.M	nil
2013-2014	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI – 400021	26 th SEPTEMBER 2014	10.00 A.M	1
2014-2015	121/C, MITTAL TOWER, 12 TH FLOOR, NARIMAN POINT, MUMBAI – 400021	28 th SEPTEMBER 2015	10.00 A.M	2

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

Date of Annual General Meeting	Number of Special Resolutions passed	Details of Special Resolutions Passed
27 th September 2013	NIL	-----
26 th September 2014	1	Adoption of New set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013
28 th September 2015	2	1. Mrs. Liza Nitesh Kothari appointed as a Managing Director of the Company for the period of 3 years (Three years) with effect from 30th January, 2015. 2. To appoint Ms. Nina Tulsidas Ashar (DIN 01499876), as an Independent Director

KOTHARI WORLD FINANCE LIMITED

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

Postal Ballot

During the year, no resolutions were passed through postal ballot.

Whether any special resolution is proposed to be conducted through postal ballot

No special resolution is proposed to be conducted through postal ballot.

Extraordinary General Meeting:

During the year, no extraordinary General Meeting of the members was held.

1. DISCLOSURES:

➤ **Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of company at large.**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under the note 18 of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18".

A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review and recommendation to the Board for their approval. As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. www.kothariworld.com under investor relations/ Policies/ Policy on Related Party

None of the transactions with Related Parties were in conflict with the interest of the Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

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

The Company has complied with all requirements Specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

➤ **Vigil Mechanism / Whistle Blower Policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, 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 chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. www.kothariworld.com under investor relations/ Policies/ Whistle Blower Policy.

➤ **Compliance with the conditions of Corporate Governance**

The Company has complied with the conditions of corporate governance as stipulated in Listing Agreement as well as s SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

➤ **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 are set out in the Notes to the Financial Statements.

➤ **Risk Management:**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

➤ **Non-mandatory requirements:**

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

➤ **Policy for determining 'material' subsidiaries**

KOTHARI WORLD FINANCE LIMITED

- The Company does not have any material subsidiary as defined under Listing Regulation.
- **Compliances with Governance Framework**
The Company is in compliance with all mandatory requirements under Listing Regulation.
- **CFO Certification**
The Certificate from CFO as required under Part D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 containing declaration as to affirming compliance with the Code of Conduct for the financial year 2015-16 is attached at the end of this report.

2. MEANS OF COMMUNICATION:

- (i) 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 closure of the financial year as per the requirement of the Listing Regulation.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper. In addition, the same are published in local language (Marathi) 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.kothariworld.com under investor's relations/ Quarterly Reports/Financial Result
- (iii) Any presentation made to the institutional investors or / and analysts are also posted on the Company's website. (v) Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- (iv) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- (v) A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.
- (vi) BSE Listing is a web-based application designed by BSE for corporates. All periodical compliance filings, inter alia, Shareholding pattern, Corporate Governance Report, Corporate announcements, amongst others are also filed electronically on the Listing Centre.

GENERAL SHAREHOLDER'S INFORMATION:

Annual General Meeting

Date and time	: Friday, 30 th September 2016 at 9.30 A.M
Venue	: 121/C, Mittal Tower, 12 th Floor, Nariman Point, Mumbai 400021
Financial Year Ending	: 31 st March, 2016
Date of Book Closure	: Tuesday, 20 th September to Friday, 30 th September 2016 (both days inclusive).
Listing on Stock Exchange and Stock Code	: Equity Shares of the Company are listed at BSE Limited, (Scrip Code 511138)
Face Value of Equity Shares	: Rs 10/- each.

Annual Listing fees for Financial Year 2016-17 has been paid to BSE.

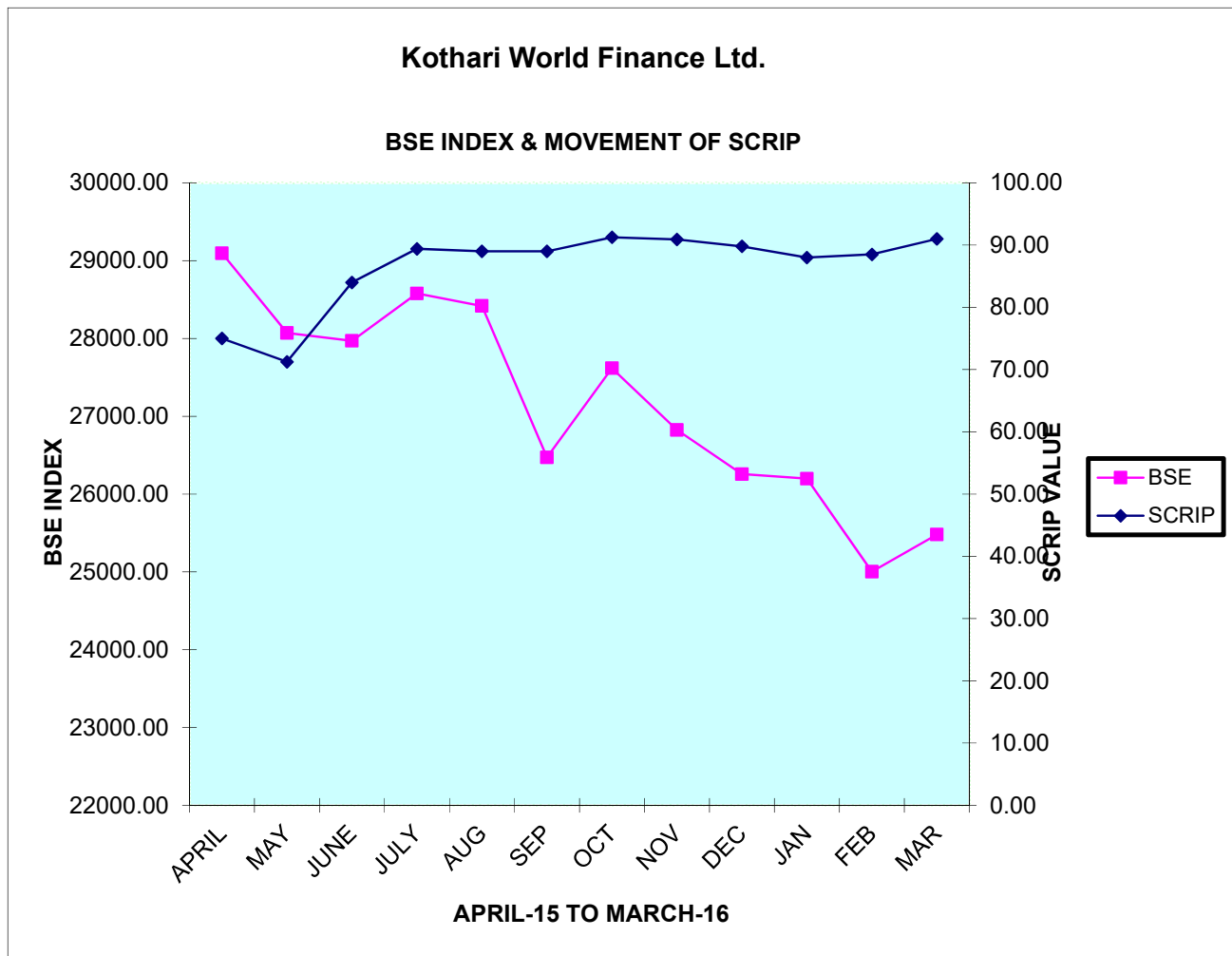
KOTHARI WORLD FINANCE LIMITED

Monthly High/Low price of Equity Shares of the Company during the financial year 2015-2016 on BSE Limited.

Month	BSE Limited (BSE)		National Stock Exchange of India Limited (NSE)	
	Month's High Price (Rs.)	Month's Low Price (Rs.)	Month's High Price (Rs.)	Month's Low Price (Rs.)
April, 2015	76.50	70.50	NT	NT
May, 2015	84.50	68.25	NT	NT
June, 2015	90.65	83.00	NT	NT
July, 2015	90.10	89.00	NT	NT
August, 2015	90.00	87.50	NT	NT
September, 2015	92.00	89.00	NT	NT
October, 2015	92.30	91.25	NT	NT
November, 2015	90.90	89.50	NT	NT
December, 2015	90.00	88.85	NT	NT
January, 2016	88.00	88.00	NT	NT
February, 2016	88.50	87.25	NT	NT
March, 2016	105.00	86.00	NT	NT

NT: No Trading
Source: BSE website

Graphical Representation of Performance of Kothari World Finance Ltd. share price in comparison with BSE Sensex: (GRAPH)



KOTHARI WORLD FINANCE LIMITED

Registrar and Transfer Agent

For any queries relating to the shares of the Company, correspondence may please be addressed to Sharex Dynamic (India) Private Limited at: Unit 1, Luthra Ind. Premises, Safeed Pool, Andheri Kurla Road, Andheri (E), and Mumbai 400072.

Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

Distribution of Shareholding:

Distribution of Shareholding as on 31 st March, 2016	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 500	73	52.90	2697	0.04
501 – 1000	7	5.07	5642	0.08
1001 – 2000	1	0.72	1900	0.03
2001 – 3000	6	4.35	16955	.23
3001 – 4000	3	2.17	10700	.14
4001 – 5000	2	1.45	10000	.13
5001 – 10000	6	4.35	42759	.57
10001 and above	40	28.99	7346847	98.78
Total	138	100.00	7437500	100.00

Shareholding Pattern As On 31st March, 2016

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	Promoter & Promoter Group :		
	(a) Individuals/ Hindu Undivided Family	2121725	28.527
	(b) Bodies Corporate	2663620	35.813
	Sub Total :	4785345	64.341
(B)	Public Shareholding :		
	1. Institutions		
	(a) Mutual Funds/UTI	0	0
	(b) Financial Institutions/Banks	0	0
	(c) Foreign Institutional Investors	0	0
	2. Non-Institutions		
	(a) Bodies Corporate	85737	1.152
	(b) Individuals	2563018	34.46
	(c) Non-Resident Indians & Non Resident(non repratiable)		
	(d) Trust(s)		
	(e) Hindu Undivided Family		
	(f) Clearing Members	3400	0.046
	Sub Total :	2652155	35.659
	GRAND TOTAL	7437500	100

Dematerialization of Shares: Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 1st January 2002 as per notification issued by the Securities and Exchange Board of India (SEBI). Approximately **99.85%** of outstanding share have been dematerialized upto 31st March, 2016.

Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity:

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on 31st March, 2016.

ADDRESS FOR CORRESPONDENCE:

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

KOTHARI WORLD FINANCE LIMITED

E-mail for Investors: companysecretary@kothariworld.com

Shareholders are requested to quote their folio no. / DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Transfer Agent.

As per Regulation 34(3) read with Schedule V of Listing Regulation, the details of the shares in the Suspense Account are as follows:

Aggregate Number of Shareholding and the outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
(1)	(2)	(3)	(4)	(5)
nil	nil	nil	nil	nil

Declaration by Managing Director

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 **Kothari World Finance Limited** Code of Business Conduct and Ethics for the year ended March 31, 2016.

**FOR AND ON BEHALF OF THE BOARD OF DIRECTOR
KOTHARI WORLD FINANCE LIMITED**

**DATE: 8TH AUGUST, 2016
PLACE: MUMBAI**

Sd/-
**LIZA KOTHARI
MANAGING DIRECTOR
(DIN NO. 01273272)**

CFO / Managing Director Certification

We the undersigned in our respective capacities as Chief Financial Officer and Managing Director of **Kothari World Finance Limited to the best of our knowledge** hereby certify that:

- a) We have reviewed financial statement and the cash flow statement for the year ended 31st March, 2016 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) 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 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 have aware and the steps taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit Committee that -
 - (i) there has not been any significant changes in internal control over financial reporting during the year under reference;
 - (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) 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/-
**(Mrs Liza Kothari)
Managing Director
(DIN: 01273272)
Place: Mumbai
Date: 8th August, 2016**

Sd/-
**(Ms Varsha Tambe)
Chief Financial Officer**

KOTHARI WORLD FINANCE LIMITED

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, 2016 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange of India for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015) as referred in Regulation 15(2) of the listing regulations for the period 1st December 2015 to 31st March 2016.

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 statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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.

For Uma Lodha & Co.
Practicing Company Secretaries
Sd/-
Uma Lodha
Proprietor
C.P. No. 2593

Place: Mumbai
Date: 8th August, 2016

Independent Auditor's Report

To the Members of Kothari World Finance Limited **Report on the Standalone Financial Statements**

We have audited the accompanying Standalone financial statements of **Kothari World Finance Limited** ('the Company'), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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 and presentation of these Standalone 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 principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

KOTHARI WORLD FINANCE LIMITED

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

Opinion

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 31st March, 2016 and its Profit and its cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 22 to the Financial Statements regarding Non provision of diminution of value of Non-current Investment in quoted Shares as per requirement of Accounting Standard 13. The Management is of the opinion that the diminution is temporary in nature. Our Opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report that;
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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, 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 standalone 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) On the basis of the written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)
Sd/-
(Atul Shahade)
Partner
Membership No. 35227

Place: Mumbai
Date: 18th May, 2016

KOTHARI WORLD FINANCE LIMITED

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The fixed assets were physically verified during the period by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) The Company has immovable properties of freehold or leasehold land and buildings. The Company has original title deeds and on examination of these documents, we observed that all the title deeds of the properties are held in the name of the Company.
- (ii) According to the information and explanations given to us, the Company does not have any inventory and hence reporting under clause 3(ii) of the Order is not applicable.
- (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 Act.
- (iv) In respect of loans, investments, guarantees, and security of the Company, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit during the period and no order in this respect has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunals. In respect of unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Act.
- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of the services rendered by the Company.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been generally regular in depositing undisputed statutory dues, including Income-tax, Service Tax, cess and other material statutory dues applicable to it to the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Income-tax, Service Tax, cess and other material statutory dues in arrears as at March 31, 2016 for a period of more than six months from the date they became payable.
 - (c) There are no dues of Income-tax and Service Tax as on March 31, 2016 on account of disputes.
- (viii) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3(viii) of the Order is not applicable to the Company.
- (ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the period.
- (xi) The Company has paid managerial remuneration which is in accordance with the limits specified by section 197 of the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 188 and 177 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year under review, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the period the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Act are not applicable.
- (xvi) The Company is registered under section 45-I of the Reserve Bank of India Act, 1934 as required.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)
Sd/-
(Atul Shahade)
Partner
Membership No. 35227

Place: Mumbai

Date: 18th May, 2016

KOTHARI WORLD FINANCE LIMITED

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF KOTHARI WORLD FINANCE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Kothari World Finance Limited** ("the Company") as of 31st March, 2016 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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

KOTHARI WORLD FINANCE LIMITED

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 31st March, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)
Sd/-
(Atul Shahade)
Partner
Membership No. 35227

Place: Mumbai
Date: 18th May, 2016

BALANCE SHEET AS AT 31ST MARCH, 2016				
		NOTE	AS ON	AS ON
		No.	31st March 2016	31st March 2015
			Rs.	Rs.
A	<u>EQUITY AND LIABILITIES:-</u>			
	1 Shareholder's Funds			
	a) Share Capital	1	74,375,000	74,375,000
	b) Reserve & Surplus	2	81,696,331	68,343,191
			156,071,331	142,718,191
	2 Current Liabilities			
	a) Liabilities for Expenses	3	6,509,943	8,262,118
	TOTAL		162,581,274	150,980,309
B	<u>ASSETS:-</u>			
	1 Non-Current Assets			
	a) Fixed Assets			
	(i) Tangible Assets	4	113,290,690	118,259,770
			113,290,690	118,259,770
	b) Non-Current Investments	5	6,213,537	6,213,537
	c) Deferred Tax Asset (Net)		3,950,562	3,950,562
	d) Other Non-current Assets	6	5,347,642	3,473,145
			15,511,740	13,637,244
	2 Current Assets			
	a) Inventories		3,506,996	5,247,465
	b) Cash & Cash Equivalents	7	26,519,252	9,007,712
	c) Trade Receivables	8	3,421,608	4,736,481
	d) Other Current Assets	9	330,988	91,637
			33,778,844	19,083,295
	TOTAL		162,581,274	150,980,309
	Notes on Financial Statements	1 TO 24		
	Significant Accounting Policies	24		
	AS PER OUR REPORT OF EVEN DATE			
	FOR SHAHADE AND ASSOCIATES		FOR AND ON BEHALF OF THE BOARD	
	CHARTERED ACCOUNTANTS			
	Sd/-		Sd/-	Sd/-
	(ICAI FIRM REGN.NO.109840W)		(LIZA KOTHARI)	(NITESH P. KOTHARI)
	(ATUL SHAHADE)		MANAGING DIRECTOR	DIRECTOR
	PARTNER, Membership No. 35227			
	PLACE : MUMBAI			
	DATE : 18 TH MAY, 2016			

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2016

		NOTE	2015-16	2014-15
		No.	Rs.	Rs.
I	Revenue from Operations	10	34,197,784	33,322,688
II	Other Income	11	116,501	57,474
III	Total Revenue (I+II)		34,314,285	33,380,162
IV	Expenses			
	a) Purchase of Stock in Trade		4,771,813	11,381,045
	b) Change in Valuation of Stock in Trade	12	1,740,469	(4,389,752)
	c) Employee Benefits Expenses	13	1,370,965	1,022,185
	d) Depreciation & Amortization Expenses		5,297,280	7,201,787
	e) Other Expenses	14	2,930,617	5,362,442
	Total Expenses		16,111,145	20,577,707
V	Profit / (Loss) Before Tax		18,203,140	12,802,455
VI	Tax Expenses:			
	(a) Current Tax		4,850,000	5,100,000
	(b) Deferred Tax (Asset)		-	(2,331,461)
	(c) Earlier years' tax		-	(1,600)
			4,850,000	2,766,939
VII	Profit / (Loss) for the year		13,353,140	10,035,516
VIII	Earnings per share - Basic & Diluted			
	(Rupees) (Face Value of Rs.10/- each)		1.80	1.35
	Refer Note No- 15			
	Notes on Financial Statements	1 TO 24		
	Significant Accounting Policies	24		
	AS PER OUR REPORT OF EVEN DATE			
	FOR SHAHADE AND ASSOCIATES		FOR AND ON BEHALF OF THE BOARD	
	CHARTERED ACCOUNTANTS			
	Sd/-	Sd/-	Sd/-	
	(ICAI FIRM REGN.NO.109840W)	(LIZA KOTHARI)	(NITESH P. KOTHARI)	
	(ATUL SHAHADE)	MANAGING DIRECTOR	DIRECTOR	
	PARTNER, Membership No. 35227			
	PLACE : MUMBAI			
	DATE : 18 TH MAY, 2016			

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016			
	(Amount in Rs)		
		Year Ended 3/31/2016	Year Ended 3/31/2015
A. Cash flow from operating activities:			
Profit before Exceptional items		18,203,140	12,802,455
Add: Depreciation	5,297,280		7,201,787
Sub Total		5,297,280	7,201,787
Total		23,500,420	20,004,242
Less: Interest on Income Tax Refund	-		16,250
Profit on sale of Fixed Assets	-		-
Long term capital gain on sale of shares	-		-
Dividend Received/ Income From Investments	116,501		41,224
Sub Total		116,501	57,474
Operating profit before working capital changes		23,383,919	19,946,768
Increase / (Decrease) in Trade / other payables		(1,752,175)	5,364,282
Decrease / (Increase) in Trade / other receivables		(798,975)	(1,868,568)
Decrease / (Increase) in Inventories		1,740,469	(4,389,752)
Cash generated from operations		22,573,238	19,052,730
Direct taxes refund / (paid) (Net)		(4,850,000)	(5,098,400)
Net cash inflow / (outflow) from operating activities		17,723,238	13,954,330
B. Cash flow from investing activities:			
Purchase of fixed assets		(328,200)	(42,597,126)
Proceeds from sale of fixed assets		-	84,540
Proceeds from sale of Investment		-	-
Interest on Income Tax Refund		-	16,250
Non-current investments			-
Dividend received / income from investment		116,501	41,224
Net cash inflow / (outflow) from investing activities		(211,699)	(42,455,112)
C. Cash flow from Financing activities:			
Proceeds (Repayment) of unsecured loans from borrowings (Net)			-
Equity Shares issued		-	-
Share Premium		-	-
Share money received		-	-
Dividend including dividend distribution tax		-	-
Net cash inflow / (outflow) from financing activities		-	-
Net Increase / (Decrease) in cash and cash equivalents		17,511,540	(28,500,781)
Cash and cash equivalents as at opening		-	-
Cash and Bank Balances		9,007,712	37,508,493
Cash and cash equivalents as at closing		-	-
Cash and Bank Balances		26,519,252	9,007,712
		17,511,540	(28,500,781)

KOTHARI WORLD FINANCE LIMITED

Notes:	a) All figures in brackets are outflow.	
	b) Previous year's figures are regrouped / recited wherever necessary.	
	AS PER OUR REPORT OF EVEN DATE	
	FOR SHAHADE AND ASSOCIATES CHARTERED ACCOUNTANTS	FOR AND ON BEHALF OF THE BOARD
	Sd/-	Sd/- Sd/-
	(ICAI FIRM REGN.NO.109840W)	
	(ATUL SHAHADE)	(LIZA KOTHARI) (NITESH P. KOTHARI)
	PARTNER, Membership No. 35227	MANAGING DIRECTOR DIRECTOR
	PLACE : MUMBAI	
	DATE : 18 TH MAY, 2016	

NOTES ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

KOTHARI WORLD FINANCE LIMITED				
NOTE 1:- SHARE CAPITAL				
Particulars	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amt Rs.	No. of shares	Amt Rs.
(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 31st March, 2016		As at 31st March, 2015	
	No. of shares	Amt Rs.	No. of shares	Amt Rs.
Equity Shares				
At the beginning of the year	7437500	74,375,000	7437500	74,375,000
Issued during the year				
Total	7437500	74,375,000	7437500	74,375,000
Details of shareholders holding more than 10 % of shares in the Company.				
Name of the Shareholder	As at 31st March, 2016		As at 31st March, 2015	
	No. of shares	% of Holding	No. of Shares	% of Holding
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 2016		
	AS AT 31.03.2016 Rs.	AS AT 31.03.2015 Rs.
Note. 2 :-		
RESERVES & SURPLUS :-		
a) Share Premium Account		
Opening Balance	37,345,000	37,345,000
Add: Premium on shares issued during the year	-	-
	37,345,000	37,345,000
b) Statutory Reserve Account		
Opening Balance	6,319,374	4,312,271
Add: Transfer from Surplus in the Statement of Profit & Loss	2,670,628	2,007,103
Closing Balance	8,990,002	6,319,374
c) General Reserve		
Opening Balance	100,000	100,000
	-	-
	100,000	100,000
d) Surplus in the Statement of Profit & Loss		
Opening Balance	24,578,817	16,592,975

KOTHARI WORLD FINANCE LIMITED

Add: Profit / (Loss) for the current year	13,353,140	10,035,516
	37,931,957	26,628,491
Less: Transfer to Statutory Reserve	2,670,628	2,007,103
Less: Depreciation Adjustment for Prior Year	-	42,571
	35,261,329	24,578,817
TOTAL RESERVES & SURPLUS (a+b+c+d)	81,696,331	68,343,191
NOTE - 3 :-		
Current Liabilities		
Liabilities for Expenses	6,509,943	7,818,210
Provision for Tax (Net)	-	443,908
	6,509,943	8,262,118

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE - 4 :- FIXED ASSETS

A. Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
	Balance as at 1 st April, 2015	Additions	Disposals	Balance as at 31 st March, 2016	Balance as at 1 April, 2015	Depreciation / amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
(b) Furniture and Fixtures	48,094	-	-	48,094	46,747	-	-	46,747	1,347	1,347
(c) Office equipment	137,500	-	-	137,500	75,013	45,604	-	120,617	16,883	62,487
(d) Godown at Thangadh	10,070,753	-	-	10,070,753	9,567,217	-	-	9,567,217	503,536	503,536
(e) Godown At Thane	36,768,670	-	-	36,768,670	6,209,500	2,208,962	-	8,418,462	28,350,208	30,559,170
(g) Shed at Khadoli	7,434,619	-	-	7,434,619	725,558	316,868	-	1,042,426	6,392,193	6,709,061
(h) Land at Khadoli	1,620,000	-	-	1,620,000	-	-	-	-	1,620,000	1,620,000
(i) Property at Village Kukse	40,138,436	178,200	-	40,316,636	3,089,916	1,354,265	-	4,444,181	35,872,455	37,048,520
(j) Property at Village Washere	42,446,126	150,000	-	42,596,126	690,477	1,371,581	-	2,062,058	40,534,068	41,755,649
Total	138,664,198	328,200	-	138,992,398	20,404,428	5,297,280	-	25,701,708	113,290,690	118,259,770
Previous year	96,728,044	42,597,126	660,972	138,664,198	13,736,501	7,201,787	533,860	20,404,428	118,259,770	82,991,542

Note: -

As prescribed under. Schedule II of the Companies Act, 2013, the Company has computed depreciation on Fixed Assets

The Financial Impact due to change in depreciation methodology has not been worked out.

KOTHARI WORLD FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016	AS AT 31.03.2016	AS AT 31.03.2015
	Rs.	Rs.
NOTE - 5 :-		
NON CURRENT INVESTMENTS :-		
a) QUOTED (At Cost)		
200000 Equity shares of Tricom India Ltd. Of Rs. 13.50 each fully paid up (M.V. Rs.100000/-, Not Provided for ,Previous Year Rs.2,70,000/-)	2,700,000	2,700,000
(A)	2,700,000	2,700,000
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
420 Equity shares of Goldcoin Engineers Pvt.Ltd.of Rs.100/- each fully paid up	90,000	90,000
630 Equity shares of Amity Agriculture Pvt. Ltd. of Rs.100/- each fully paid up	195,000	195,000
120 Equity shares of Steady Mercantile Co. Pvt. Ltd. Of Rs. 100/-each fully paid up	60,000	60,000
200 Equity shares of Famous Commercial & Leasing Pvt. Ltd. Rs.100/- each fully paid up	100,000	100,000
340 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
400 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
56,900 Equity shares of Munoth Hire Purchase Ltd. Of Rs. 10/-each fully paid up (Delisted)	98,437	98,437
(B)	3,513,537	3,513,537
[A+B]	6,213,537	6,213,537

KOTHARI WORLD FINANCE LIMITED

	AS AT 31.03.2016 Rs.	AS AT 31.03.2015 Rs.
NOTE - 6		
OTHER NON-CURRENT ASSETS		
(a) Security Deposits	1,200,000	1,200,000
(b) Other Deposits	330,485	335,485
(c) Long term Loans	3,817,157	1,937,660
	5,347,642	3,473,145

NOTE - 7 :-		
CASH & CASH EQUIVALENT		
(a) Cash on hand	57,116	89,647
(b) Balance with banks:		
Bank of India	129,212	402,668
IDBI Bank Ltd	174,386	3,094
(c) Deposits with Bank	26,158,537	8,512,303
	26,519,252	9,007,712

NOTE - 8 :-		
TRADE RECEIVABLES		
Unsecured considered good unless otherwise stated		
a) Debts outstanding exceeding six months	-	-
b) Other Debts	3,421,608	4,736,481
	3,421,608	4,736,481

NOTE - 9 :-		
OTHER CURRENT ASSETS		
(a) Advance Income Tax (Net)	234,808	-
(b) Loans and advances to employees	84,000	17,000
(c) Prepaid Expenses	12,180	74,637
	330,988	91,637

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	FOR THE YEAR ENDED 31.03.2016 Rs.	FOR THE YEAR ENDED 31.03.2015 Rs.
NOTE - 10 :-		
REVENUE FROM OPERATIONS		
Sale of Shares	6,169,943	7,569,006
Interest Income	1,696,795	2,215,532
License Fees	24,858,939	23,538,150
Speculation Profit on Shares & Commodities	1,472,107	-
	34,197,784	33,322,688

KOTHARI WORLD FINANCE LIMITED

NOTE - 11 :-		
OTHER INCOME		
Interest on I.T.Refund	-	16,250
Dividend Income	116,501	41,224
	116,501	57,474

NOTE - 12 :-		
CHANGE IN VALUATION OF STOCK IN TRADE		
Value of Opening Stock	5,247,465	857,713
Value of Closing Stock	3,506,996	5,247,465
Increase /(Decrease) of Stock	1,740,469	(4,389,752)

NOTE - 13 :-		
EMPLOYEE BENEFIT EXPENSES		
Salaries	1,370,965	1,022,185
	1,370,965	1,022,185

NOTE - 14 :-		
OTHER EXPENSES		
Electricity Charges	95,780	119,548
Rent	110,940	110,940
Repairs & Maintenance	24,016	20,842
Printing & Stationery	33,720	34,956
Travelling & Conveyance Expenses	-	61,744
Telephone Charges	52,825	52,127
Bank Charges	2,013	12,589
Director's Remuneration	1,200,000	1,200,000
Listing Fees	200,000	100,000
Filing Fees	29,233	17,707
Legal & Professional Fees	188,350	178,915
Property Taxes	542,661	630,920
Auditor's Remuneration		
-Statutory Audit Fees	40,000	40,000
-Tax Audit Fees	15,000	25,000
Sundry Expenses	230,114	116,288
Consultancy Charges	78,393	50,692
Advertisement Expenses	75,076	68,153
Postage & Telegram	4,040	6,874
Interest Paid	956	5,740
Profession Tax	2,500	22,500
Loss on Speculative Transaction	-	2,486,907
Sundry Balances Written off	5,000	-
	2,930,617	5,362,442

KOTHARI WORLD FINANCE LIMITED		
F.Y. 2015-16		
NOTE - 15		
EARNING 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 weighted number of equity shares outstanding for the period. Diluted earnings per share has not been computed.		
	Current Year	Previous Year
Profit (Loss) for the year after adjustment and appropriation	Rs. 1,33,53,140/-	Rs. 1,00,35,516/-
Number of Equity Shares	7437500	7437500
Basic earnings per Share	Rs. 1.80	Rs. 1.35

NOTE - 16
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.

NOTE - 17
There are no amount payable to any small scale industrial undertaking.

NOTE - 18
RELATED PARTY DISCLOSURE
Disclosures as required by the Accounting Standard 18"Related Party Disclosure" are The Company has identified following related parties.
a) <u>Directors</u> :Mr. Nitesh P. Kothari, Mrs. Liza N. Kothari & Mr. Manohar M.Mhatre, Mr. Jitendra B. Wala, Mr. Jayesh kumar Gandhi, Miss Meena G. Dalvi
<u>Directors Remuneration Paid during the year:</u>
Mrs. Liza N. Kothari Rs. 12,00,000/- (Previous Year.: Rs. 12,00,000/-)
b) <u>Associated Companies:</u> -
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 Private Limited
Kaikhusroo Manekji Mehta Stone & Engineering Works Pvt Ltd

KOTHARI WORLD FINANCE LIMITED

NOTE - 19

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.

NOTE - 20

Value of Import Calculated on CIF Basis.

Raw Materials	NIL
Capital Goods	NIL
Expenditure in Foreign Currencies	NIL
Earning in Foreign Currencies	NIL

NOTE - 21

Figures of the previous year have been regrouped, rearranged, reclassified where ever necessary to make them comparable with that of current year.

NOTE - 22

The Non-current Investments are shown in the Balance Sheet at cost. In the case of quoted investments, provision for diminution in value of investments is not made, since such diminution is not of permanent nature in the opinion of the Management.

NOTE - 23

Deferred Tax Asset has not been considered for this year. Fixed Assets mainly consist of godowns, income from which is offered under House Property income. Depreciation on Godowns is not allowed under Income Tax. This amounts to permanent difference, hence Deferred Tax Asset on the above has not been calculated as per AS 22.

NOTE - 24

SIGNIFICANT ACCOUNTING POLICIES

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 (Accounts) Rules, 2014 issued under Section 133 of the Companies Act, 2013. 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.

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.

FIXED ASSETS

i) Fixed Assets are stated at cost inclusive of all expenses directly attributable in bringing the Assets to their working condition.

KOTHARI WORLD FINANCE LIMITED

ii) The Company provides depreciation on the basis of the useful life and residual value of fixed assets, as prescribed under Schedule II of the Companies Act, 2013.

STOCK IN TRADE & INVESTMENTS

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 Long Term Investments and 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 the Balance Sheet at cost.

STATUTORY RESERVES

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.

Leave encashment is not provided in the Books. It is accounted on a cash basis.

AS PER OUR REPORT OF EVEN DATE

FOR SHAHADE AND ASSOCIATES

CHARTERED ACCOUNTANTS

Sd/-

(ICAI FIRM REGN.NO.109840W)

(ATUL SHAHADE)

PARTNER, Membership No. 35227

PLACE : MUMBAI

DATE : 18TH MAY, 2016

FOR AND ON BEHALF OF THE BOARD

Sd/-

(LIZA KOTHARI)

MANAGING DIRECTOR

Sd/-

(NITESH P. KOTHARI)

DIRECTOR

INDEPENDENT AUDITOR'S REPORT

To the Members of Kothari World Finance Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Kothari World Finance Limited (hereinafter referred to as "the Holding Company"), and its subsidiaries (the Holding Company and its subsidiaries together referred to as the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information(hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act")that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act , read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

KOTHARI WORLD FINANCE LIMITED

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

We draw attention to Note No. 22 to the consolidated financial statements regarding Non provision of diminution of value of Non-current Investment in quoted Shares as per requirement of Accounting Standard 13. The Management is of the opinion that the diminution is temporary in nature. Our Opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. 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 of the aforesaid consolidated financial statements;
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.;
 - d) In our opinion, the aforesaid consolidated 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) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies, is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.;
 - f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls; refer to our Report in "Annexure A", which is based on the auditors' reports of the holding company, subsidiary companies. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the holding companies, its subsidiary companies, , internal financial controls over financial reporting.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There were no pending litigations which would impact the consolidated financial position of the Group.

KOTHARI WORLD FINANCE LIMITED

- (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

For Shahade & Associates
Chartered Accountants
(ICAI Firm Regn. No. 109840W)
Sd/-
(Atul Shahade)
Partner
Membership No. 35227

Place: Mumbai
Date: 18th May, 2016

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF KOTHARI WORLD FINANCE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Companies of the year ended 31st March, 2016 we have audited the internal financial controls over financial reporting of the **Kothari World Finance Limited** (hereinafter referred to as "the Holding Company") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company, its subsidiary companies 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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.

KOTHARI WORLD FINANCE LIMITED

We believe that the audit evidence we have obtained by the other auditors of the subsidiary companies, in terms of their reports referred to in the other matter Paragraph below, 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 to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies have, 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 31st March, 2016, 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.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 2 subsidiary companies is based on the corresponding reports of the auditors of such companies.

For Shahade & Associates

Chartered Accountants

(ICAI Firm Regn. No. 109840W)

Sd/-

(Atul Shahade)

Partner

Membership No. 35227

Place: Mumbai

Date: 18th May, 2016

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016			
	NOTE No.	AS ON 31st March 2016 Rs.	AS ON 31st March 2015 Rs.
A	<u>EQUITY AND LIABILITIES:-</u>		
1	Shareholder's Funds		
a)			
a) Share Capital	1	71,382,500	71,262,500
b) Reserve & Surplus	2	92,934,028	82,643,705
		164,316,528	153,906,205
2			
Minority Interest		44,901,730	52,494,756
3	3		
Non-Current Liabilities			
a) Long Term Borrowings		-	1,025,000
b) Other Long Term Liabilities		355,320	59,611
4	4		
Current Liabilities			
a) Other current Liabilites		6,875,242	10,463,959
b) Short Term Provisions		-	443,908
	TOTAL	216,448,820	218,393,439
B	<u>ASSETS:-</u>		
1	Non-Current Assets		
a)			
a) Fixed Assets	5		
(i) Intangible Assets		3,500,000	3,416,600
(ii) Tangible Assets		130,910,120	119,593,318
		134,410,120	123,009,918
b) Non-Current Investments	6	12,545,066	8,765,066
c) Deferred Tax Asset (Net)		3,950,562	3,950,562
d) Other Non-current Assets	7	5,754,186	24,369,895
		22,249,814	37,085,523
2	Current Assets		
a) Inventories		17,887,339	21,251,576
b) Cash & Cash Equivalents	8	36,788,076	30,544,917
c) Trade Receivables	9	3,436,992	4,778,019
d) Other Current Assets	10	1,676,479	1,723,486
		59,788,886	58,297,998
	TOTAL	216,448,820	218,393,439
	Notes on Financial Statements	1 TO 25	
	Significant Accounting Policies	25	
AS PER OUR REPORT OF EVEN DATE			
FOR SHAHADE AND ASSOCIATES CHARTERED ACCOUNTANTS		FOR AND ON BEHALF OF THE BOARD	
Sd/-		Sd/-	
(ICAI FIRM REGN.NO.109840W)		(NITESH P. KOTHARI)	
(ATUL SHAHADE)		MANAGING DIRECTOR	
PARTNER, Membership No. 35227		DIRECTOR	
PLACE : MUMBAI			
DATE : 18 TH MAY, 2016			

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016			
	NOTE No.	2015-16 Rs.	2014-15 Rs.
I Revenue from Operations	11	39,510,468	39,779,866
II Other Income	12	1,431,340	39,490,339
III Total Revenue (I+II)		40,941,808	79,270,205
IV Expenses			
a) Purchase of Stock in Trade		4,771,813	11,381,045
b) Change in Valuation of Stock in Trade	13	3,364,237	(4,389,752)
c) Employee Benefits Expenses	14	2,074,745	2,003,107
d) Depreciation & Amortization Expenses		17,151,343	7,712,662
e) Other Expenses	15	5,655,393	11,342,798
Total Expenses		33,017,531	28,049,860
V Profit / (Loss) Before Tax		7,924,277	51,220,345
VI Tax Expenses:			
(a) Current Tax		5,180,610	12,790,000
(b) Deferred Tax (Asset)		0	2,331,461
(c) Earlier years' tax		46,370	11,608
Total		5,226,980	10,470,147
VII Profit / (Loss) for the year		2,697,297	40,750,198
VIII Earnings per share - Basic & Diluted			
(Rupees) (Face Value of Rs.10/- each)			
Refer Note No- 16			
Notes on Financial Statements	1 TO 25		
Significant Accounting Policies	25		
AS PER OUR REPORT OF EVEN DATE			
FOR SHAHADE AND ASSOCIATES		FOR AND ON BEHALF OF THE BOARD	
CHARTERED ACCOUNTANTS			
Sd/-		Sd/-	Sd/-
(ICAI FIRM REGN.NO.109840W)		(LIZA KOTHARI)	(NITESH P. KOTHARI)
(ATUL SHAHADE)		MANAGING DIRECTOR	DIRECTOR
PARTNER, Membership No. 35227			
PLACE : MUMBAI			
DATE : 18 TH MAY, 2016			

KOTHARI WORLD FINANCE LIMITED				
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH , 2016				
	(Amount in Rs)			
		Year Ended 3/31/2016		Year Ended 3/31/2015
A. Cash flow from operating activities:				
Profit before Exceptional items		7,924,277		51,220,345
Add: Depreciation	17,151,343		7,712,662	
Sub Total		17,151,343		7,712,662
Total		25,075,620		58,933,007
Less: Interest on Income Tax Refund	34575		16250	
Profit on sale of Fixed Assets	1059720		39122960	
Interest on Bond	220488		-	
Dividend Received/ Income From Investments	116557		41224	
Sub Total		1,431,340		39,180,434
Operating profit before working capital changes		23,644,280		19,752,573
Increase / (Decrease) in Trade / other payables		(4,032,625)		5,246,246
Decrease / (Increase) in Trade / other receivables		1,388,034		(806,835)
Decrease / (Increase) in Inventories		3,364,237		(4,389,752)
Cash generated from operations		24,363,926		19,802,232
Direct taxes refund / (paid) (Net)		(5,226,980)		(10,470,147)
Net cash inflow / (outflow) from operating activities		19,136,946		9,332,085
B. Cash flow from investing activities:				
Purchase of fixed assets		(28,770,150)		(36,424,726)
Purchase of Investments		(3,780,000)		(36,600)
Proceeds from sale of fixed assets		302,005		39,122,960
Proceeds from sale of Investment		1,096,320		-
Interest on Income Tax Refund		34,575		16,250
Non-current investments		18,615,709		-
Dividend received / income from investment		337,045		41,224
Net cash inflow / (outflow) from investing activities		(12,164,496)		2,719,108
C. Cash flow from Financing activities:				
Proceeds (Repayment) of unsecured loans from borrowings (Net)		(729,291)		(24,837,804)
Net cash inflow / (outflow) from financing activities		(729,291)		(24,837,804)
Net Increase / (Decrease) in cash and cash equivalents		6,243,159		(12,786,611)
Cash and cash equivalents as at opening				
Cash and Bank Balances		30,544,917		43,331,528
Cash and cash equivalents as at closing				
Cash and Bank Balances		36,788,076		30,544,917
		6,243,159		(12,786,611)
KOTHARI WORLD FINANCE LIMITED				
Notes:	a) All figures in brackets are outflow. b) Previous year's figures are regrouped / recasted wherever necessary.			

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016		
	AS AT 31.03.2016 Rs.	AS AT 31.03.2015 Rs.
Note. 2 :-		
RESERVES & SURPLUS :-		
a) Share Premium Account		
Opening Balance	37,345,000	37,345,000
Add: Premium on shares issued during the year	-	-
	37,345,000	37,345,000
b) Statutory Reserve Account		
Opening Balance	6,319,374	4,312,271
Add: Transfer from Surplus in the Statement of Profit & Loss	2,670,628	2,007,103
Closing Balance	8,990,002	6,319,374
c) General Reserve		
Opening Balance	100,000	100,000
	-	-
	100,000	100,000
d) Grand under Package Scheme of Incentive received from Development Corporation of Konkan Limited		
	750,000	750,000
	750,000	750,000
e) Capital Reserve		
On Redemption of 7500-7% Non-Cumulative Preference shares of Rs.100/-each	750,000	750,000
	750,000	750,000
f) Surplus in the Statement of Profit & Loss		
Opening Balance	87,767,087	49,066,563
Add: Profit / (Loss) for the current year	2,697,297	40,750,198
	90,464,384	89,816,761
Less: Transfer to Statutory Reserve	2,670,628	2,007,103
Less: Depreciation Adjustment for Prior Year	-	42,571
	87,793,756	87,767,087
Less : Minority Interest	42,794,730	50,387,756
TOTAL RESERVES & SURPLUS (a+b+c+d)	92,934,028	82,643,705
NOTE - 3 :-		
Non-Current Liabilities		
Deposit From Licensee	355,320	59,611
Unsecured Loan From Director	-	1,025,000
	355,320	1,084,611
NOTE - 4 :-		
Current Liabilities		
Liabilities for Expenses	6,875,242	8,245,359
Advance From Customer	-	2,218,600
Provision For Tax (Net)	-	443,908
	6,875,242	10,907,867

KOTHARI WORLD FINANCE LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

NOTE - 5 :- FIXED ASSETS

A.	Tangible assets	Gross block				Accumulated depreciation and impairment				Net block	
		Balance as at 1 April, 2015	Additions	Disposals	Balance as at 31 March, 2016	Balance as at 1 April, 2015	Depreciation/ amortisation expense for the year	Eliminated on disposal of assets	Balance as at 31 March, 2016	Balance as at 31 March, 2016	Balance as at 31 March, 2015
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
	(b) Furniture and Fixtures	48,094	-	-	48,094	46,747	-	-	46,747	1,347	1,347
	(c) Office equipment	137,500	-	-	137,500	75,013	45,604	-	120,617	16,883	62,487
	(d) Godown at Thangadh	10,070,753	-	-	10,070,753	9,567,217	-	-	9,567,217	503,536	503,536
	(e) Godown At Thane	36,768,670	28,419,450	-	65,188,120	6,209,500	13,835,608	-	20,045,108	45,143,012	30,559,170
	(f) Shed at Khadoli	7,434,619	-	-	7,434,619	725,558	316,868	-	1,042,426	6,392,193	6,709,061
	(g) Land at Khadoli	1,620,000	-	-	1,620,000	-	-	-	-	1,620,000	1,620,000
	(h) Property at Village Kukse	40,138,436	178,200	-	40,316,636	3,089,916	1,354,265	-	4,444,181	35,872,455	37,048,520
	(i) Property at Village Vashere	42,446,126	150,000	-	42,596,126	690,477	1,371,581	-	2,062,058	40,534,068	41,755,649
	(j) Plant & Equipments	1,363,583	-	1,363,583	-	1,167,057	-	1,167,057	-	-	196,526
	(k) Air Conditioner	356,564	-	356,564	-	340,001	-	340,001	-	-	16,563
	(l) Vehicles	1,227,706	22,500	-	1,250,206	250,904	193,924	-	444,828	805,378	976,802
	(m) Computer	150,467	-	-	150,467	117,642	31,233	-	148,875	1,592	32,825
	(n) Electrical Installation	1,051,862	-	1,051,862	-	962,946	-	962,946	-	-	88,916
	(o) Water Tank	31,950	-	-	31,950	10,034	2,260	-	12,294	19,656	21,916
	Total	142,846,330	28,770,150	2,772,009	168,844,471	23,253,012	17,151,343	2,470,004	37,934,351	130,910,120	119,593,318
	Previous year	119,497,102	43,508,528	20,159,300	142,846,330	28,615,847	7,712,662	13,075,497	23,253,012	119,593,318	90,881,254

NOTE - 6 :-		
NON CURRENT INVESTMENTS :-		
A) QUOTED (At Cost)		
56 Eq.Shares of Reliance Power Limited of Rs 10/- each fully paid (Market Value of Rs.2766/- P.Y. Value of Rs.1,978/-).	15,750	15,750
220000 Eq. Shares of Tricom Limited Of Rs. 10/- each fully paid (Market Value of Rs.140000/- P.Y.value of Rs. 297,000/-)	3,156,879	3,156,879
A)	3,172,629	3,172,629
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
2422 Equity shares of Goldcoin Engineers Pvt.Ltd.of Rs.100/- each fully paid up	1,091,000	1,091,000
2634 Equity shares of Amity Agriculture Pvt. Ltd. of Rs.100/-	1,197,000	1,197,000

KOTHARI WORLD FINANCE LIMITED

each fully paid up		
250 Equity shares of Steady Mercantile Co. Pvt. Ltd. Of Rs. 100/-each fully paid up	73,000	73,000
430 Equity shares of Famous Commercial & Leasing Pvt. Ltd. Rs.100/- each fully paid up	123,000	123,000
2340 Equity shares of Mithani Agriculture Pvt.Ltd. of Rs.100/- each fully paid up	1,170,000	1,170,000
2400 Equity shares of Mansi Engineers Pvt. Ltd. Of Rs. 100/- each fully paid up	1,080,000	1,080,000
2100 Equity shares of D.Dahyabhai & Co. Pvt. Ltd. Of Rs.100/- each Fully paid up	360,000	360,000
56,900 Equity shares of Munoth Hire Purchase Ltd. Of Rs. 10/-each fully paid up	98,437	98,437
300 Equity shares of V.I.P. Construction Pvt Ltd Of Rs. 100/-each fully paid up	30,000	30,000
30,000 Equity Shares of Fashion & Fabrick Pvt. Ltd Of Rs. 10/-each fully paid	-	300,000
2,000 Equity Shares of T.I.M.A. of Rs.10/- each fully paid up	20,000	20,000
B)	5,292,437	5,592,437
c) INVESTMENT IN BONDS		
Rural Electrification Corporation Ltd-54EC Bonds	C) 4,080,000	-
(A+B+C)	12,545,066	8,765,066

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016

	AS AT <u>31.03.2016</u> Rs.	AS AT <u>31.03.2015</u> Rs.
NOTE - 7		
OTHER NON-CURRENT ASSETS		
(a) Security Deposits	1,200,000	1,200,000
(b) Other Deposits	619,789	799,005
(c) Long term Loans	3,934,397	22,370,890
	5,754,186	24,369,895
NOTE - 8		
CASH & CASH EQUIVALENT		
(a) Cash on hand	100,134	195,400
(b) Balance with banks:		
Bank of India	162,739	442,703
IDBI Bank Ltd	295,890	11,507
(c) Deposits with Bank	36,229,312	29,895,307
	36,788,076	30,544,917

NOTE - 9		
TRADE RECEIVABLES		
Unsecured considered good unless otherwise stated		
a) Debts outstanding exceeding six months	15,384	-
b) Other Debts	3,421,608	4,778,019
	3,436,992	4,778,019
NOTE - 10		
OTHER CURRENT ASSETS		
(a) Other current assets	396,690	-
(b) Loans and advances	84,000	17,000
(c) Prepaid Expenses	12,180	74,637
(d) Income Tax & TDS (Net of Provision for Tax)	1,183,609	1,631,849
	1,676,479	1,723,486

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2016		
	FOR THE YEAR ENDED 31.03.2016	FOR THE YEAR ENDED 31.03.2015
	Rs.	Rs.
NOTE - 11		
REVENUE FROM OPERATIONS		
Sale of Shares	6,169,943	7,569,006
Sale of Flats	2,218,600	-
Interest Income	4,790,879	4,223,616
License Fees	24,858,939	27,987,244
Speculation Profit on Shares & Commodities	1,472,107	-
	39,510,468	39,779,866
NOTE - 12		
OTHER INCOME		
Profit on sale of shares	1,059,720	-
Profit on sale of Assets	-	39,432,865
Interest on I.T.Refund	34,575	16,250
Dividend Income	116,557	41,224
Interest on Bond	220,488	-
	1,431,340	39,490,339
NOTE - 13		
CHANGE IN VALUATION OF STOCK IN TRADE		
Value of Opening Stock	21,251,576	16,861,824
Value of Closing Stock	17,887,339	21,251,576
Increase /(Decrease) of Stock	3,364,237	(4,389,752)
NOTE - 14		
EMPLOYEE BENEFIT EXPENSES		
Salaries	2,074,745	2,003,107
	2,074,745	2,003,107

NOTE - 15		
OTHER EXPENSES		
Electricity Charges	146,970	139,719
Rent	110,940	110,940
Repairs & Maintenance	213,300	38,842
Printing & Stationery	33,720	34,956
Travelling & Conveyance Expenses	700,017	494,724
Telephone Charges	56,275	55,466
Bank Charges	4,049	12,838
Director's Remuneration	1,200,000	1,200,000
Listing Fees	200,000	100,000
Filing Fees	30,433	20,107
Legal & Professional Fees	235,268	200,615
Property Taxes	542,661	630,920
<u>Auditor's Remuneration</u>		
-Statutory Audit Fees	40,000	40,000
-Tax Audit Fees	49,500	64,000
Sundry Expenses	296,954	124,661
Consultancy Charges	78,393	50,692
Advertisement	75,076	76,568
Postage & Telegram	4,040	6,874
Interest Paid	146,090	5,740
Profession Tax	2,500	22,500
Loss on Speculative Transaction	-	2,486,907
Sundry Balances Written off	178,216	-
Lease Rent on Car	769,200	769,202
Donation	-	4,000,000
Motor car Expenses	124,419	228,394
Water Charges	11,227	25,353
Loss on sale of Assets	-	309,905
Subletting Charges	-	86,204
Other Charges	17,229	6,671
Sundry Assets Written off	88,916	-
Investment in shares Written off	300,000	-
	5,655,393	11,342,798

KOTHARI WORLD FINANCE LIMITED

NOTE - 20
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.

KOTHARI WORLD FINANCE LIMITED	
NOTE - 21	
Value of Import Calculated on CIF Basis.	
Raw Materials	NIL
Capital Goods	NIL
Expenditure in Foreign Currencies	NIL
Earning in Foreign Currencies	NIL

NOTE - 22
The Non-current Investments are shown in the Balance Sheet at cost. In the case of quoted investments, provision for diminution in value of investments is not made, since such diminution is not of permanent nature in the opinion of the Management.

NOTE - 23
Figures of the previous year have been regrouped, rearranged, reclassified wherever necessary to make them comparable with that of current year.

NOTE - 24
Deferred Tax Asset has not been considered for this year. Fixed Assets mainly consist of godowns, income from which is offered under House Property income. Depreciation on Godowns is not allowed under Income Tax. This amounts to permanent difference, hence Deferred Tax Asset on the above has not been calculated as per AS 22.

NOTE - 25
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 (Accounts) Rules, 2014 issued under Section 133 of The Companies Act, 2013. 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
i) Fixed Assets are stated at cost inclusive of all expenses directly attributable in bringing the Assets to their working condition.

KOTHARI WORLD FINANCE LIMITED

Registered Office: C-121, 12th Floor, Mittal Tower, Nariman Point, Mumbai – 400021, Telephone: +91-22-22851620, Fax: +91-22-22871695, Website : www.kothariworld.com, Email : info@kothariworld.com, CIN No. L65993MH1985PLC035005.

ATTENDANCE SLIP

Venue of the meeting: C-121, Mittal Tower, Nariman Point, Mumbai – 400021

Date & Time: September 30, 2016 at 9.30 A.M

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

DP ID – Client ID/ Folio No.	
Name & Address of Sole Member	
Name of Joint Holder(s), If any (In Block Letters)	
No. of shares held	

***Applicable for investors holding shares in Electronic form.**

I certify that I am the registered shareholders/proxy for the registered shareholder of the Company.

I hereby record my presence at the 31st Annual General Meeting of the Company held on September 30, 2016 at 9.30 A.M at C-121, Mittal Tower, Nariman Point, Mumbai – 400021.

***Applicable for shareholders holding shares in electronic form**

Signature of Member / Proxy

-----Cut Here-----

NOTE: Please read the complete instructions given under the Note (The instructions for shareholders voting electronically) to the Notice of Annual General Meeting. The voting starts from Tuesday 27th September, 2016 from 9.00 A.M. and ends on Thursday, 29th September, 2016 at 5.00 P.M. The voting module shall be disabled by NSDL for voting thereafter.

KOTHARI WORLD FINANCE LIMITED

KOTHARI WORLD FINANCE LIMITED

Registered Office: C-121, 12th Floor, Mittal Tower, Nariman Point, Mumbai – 400021, Telephone: +91-22-22851620, Fax: +91-22-22871695, Website : www.kothariworld.com, Email : info@kothariworld.com, CIN No. L65993MH1985PLC035005

**FORM MGT- 11
(FORM OF PROXY)**

Venue of the meeting: **C-121, Mittal Tower, Nariman Point, Mumbai – 400021**

Date & Time: **September 30, 2016 at 9.30 A.M**

PLEASE FILL PROXY FORM AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE

Name	
Address	
DP Id*	
Client Id*	
Folio No.	
No. of shares held	

*Applicable for investors holding shares in Electronic form.

I/We _____ of _____ being member/members of Kothari World Finance Limited hereby appoint the following as my/our Proxy to attend vote (for me/our behalf at the 31st Annual General Meeting of the Company to be held on September 30th, 2016 at 9.30 A.M. and at any adjournment thereof).

1. Mr / Mrs _____ (Name & Signature of the Proxy) or failing him/her
2. Mr / Mrs _____ (Name & Signature of the Proxy) or failing him/her
3. Mr / Mrs _____ (Name & Signature of the Proxy) or failing him/her

**I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sl. No.	Resolution	For	Against
Ordinary Business			
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2016 and reports of the Board of Directors and the Auditors thereon		
2.	Re-appointment of Mr. Nitesh Kothari , who retires by rotation		
3.	Re-appointment of Shahade & Associates, Chartered Accountants, as Auditors		

**This is optional. Please put a tick mark (v) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he /she should write "Abstain" across the boxes against the Resolution.

Signature(s) of the Member(s)

1. _____
2. _____
3. _____

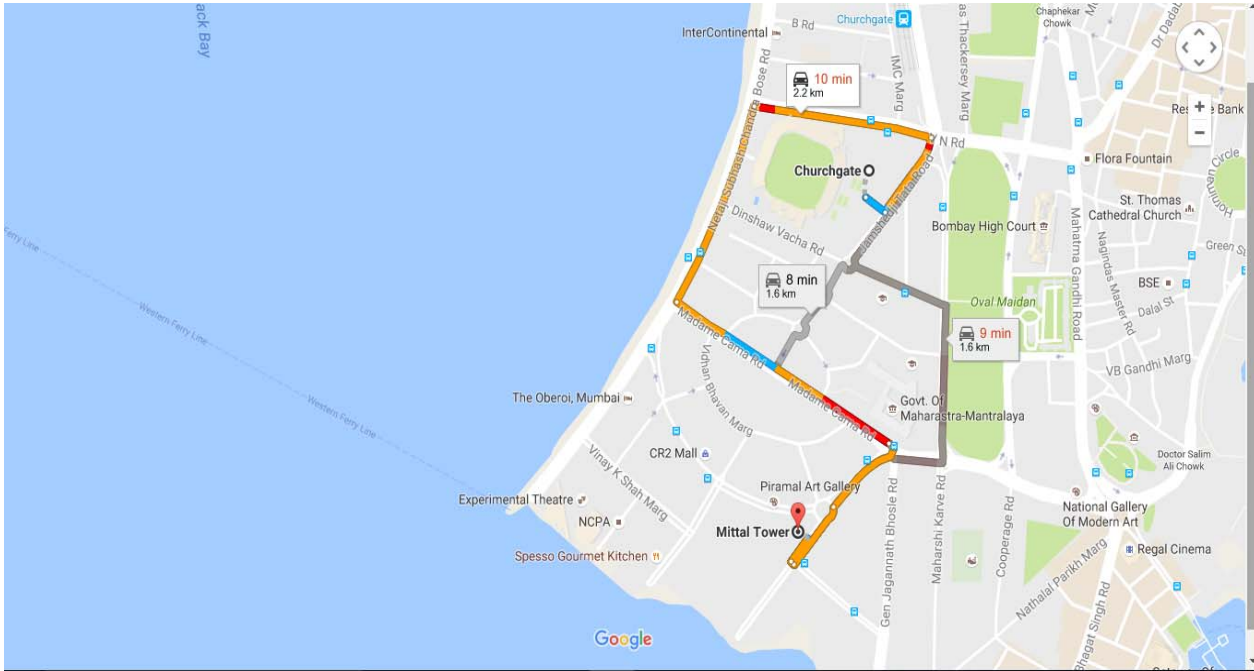
Affix one Rupree Revenue Stamp

Signed this _____ day of _____ 2016.

Notes:

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY EIGHT HOURS before the commencement of the Meeting.
2. A Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING OF THE COMPANY DATED 30TH SEPTEMBER, 2016.



Book Post

To,

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