

# **ANNUAL REPORT**

## **2023-2024**

**KEN FINANCIAL  
SERVICES LIMITED**

**CORPORATE INFORMATION**

BOARD OF DIRECTORS	:	1. Mr. Shakti Singh Rathore 2. Mr. Praveen Kumar Modi 3. Mr. Ritesh Kumar Pathak 4. Mr. Rajesh Babulal Sodani 5. Ms. Neha Kailash Bhageria
COMPANY SECRETARY	:	Mrs. Sarika Agarwal
REGISTERED OFFICE	:	F-9, 1 <sup>st</sup> Floor, Shah Arcade 1, Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai - 400 097.
BANKERS	:	Axis Bank Limited
AUDITORS	:	M/s. Satya Prakash Natani & Co. Chartered Accountants, Mumbai
SECRETARIAL AUDITORS	:	M/s. Abhilasha Chaudhary & Associates Practicing Company Secretary, Mumbai
SHARE TRANSFER AGENTS	:	Purva Sharegistry (India) Private Limited Unit No. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai - 400 011.
SHARES LISTED AT	:	BSE Limited

## NOTICE

**Notice** is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of **Ken Financial Services Limited** will be held on **Friday, August 23, 2024 at 12:30 p.m.** through Video Conferencing (“VC”) or Other Audio-Visual Means (“OAVM”) to transact the following business:

### ORDINARY BUSINESS:

1. **Adoption of Financial Statements**

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 together with the Reports of Board of Directors and Auditors thereon.

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

“**RESOLVED THAT** the Audited Financial Statements of the Company for the financial year ended March 31, 2024, and the Reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted.”

2. **Appointment of Director who retires by rotation:**

To appoint a Director in place of Mr. Shakti Singh Rathore (holding DIN 09208373) who retires by rotation and being eligible, offers himself for re-appointment.

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

“**RESOLVED THAT** Mr. Shakti Singh Rathore (holding DIN 09208373), Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby reappointed as a Director of the Company.”

### SPECIAL BUSINESS:

3. **Appointment of Mr. Rajesh Babulal Sodani (holding DIN 05010096) as an Independent Director of the Company:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force) and the Articles of Association of the Company, on recommendation of Nomination & Remuneration Committee, Mr. Rajesh Babulal Sodani (holding DIN 05010096), who is registered with

Independent Director's Databank (Registration No. IDDB-DI-202002-016680), who was appointed as an Additional Director - Independent Director on the Board of Directors of the Company with effect from 30<sup>th</sup> May, 2024 and who shall hold office up to the date of the ensuing Annual General Meeting of the Company, be and is hereby appointed as an Independent Non-Executive Director of the Company with effect from August 23, 2024, to hold office for a term of five consecutive years i.e. up to August 22, 2029.

**RESOLVED FURTHER THAT** the Board of Directors and Company Secretary of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

**Registered office:**

F-9, 1<sup>st</sup> Floor, Shah Arcade 1,  
Rani Sati Marg,  
Near W.E. Highway,  
Malad (East), Mumbai - 400 097.

**For and on behalf of the Board**

Sd/-

**Shakti Singh Rathore**  
**Managing Director**  
**DIN: 09208373**

**Place: Mumbai**

**Date: July 25, 2024**

**NOTES:**

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of threat posed by Covid – 19”, General Circular Nos. 20/2020 dated May 5, 2020, Circular No. 10/2022 dated December 28, 2022 and subsequent circulars issued in this regard, the latest being 09/2023 dated September 25, 2023 in relation to “Clarification on holding of annual general meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM)”, (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and MCA Circulars, the 30<sup>th</sup> AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. Pursuant to the provisions of the Act, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
3. The attendance of members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of Companies Act, 2013.

4. Pursuant to Regulations 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards -2 (SS-2), the particulars of Directors proposed to be appointed / re-appointed at the Annual General Meeting is given in the Annexure to the notice.
5. Explanatory Statement under Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of the Notice.
6. The Register of Members and the Share Transfer Books of the Company will be closed from August 17, 2024 to August 23, 2024 (both days inclusive).
7. In accordance with, the circulars issued by MCA and Securities and Exchange Board of India ('SEBI'), owing to the difficulties involved in dispatching of physical copies of the Annual Report of the Company and the Notice of AGM, the same are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participants (DP).
8. Members who have not registered their e-mail addresses so far are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Registrar & Share Transfer Agent in case the shares are held by them in physical form for receiving all communication including Annual Report, Notices, etc. from the Company electronically.
9. Members are requested to furnish their bank account details, change of address and all other required details to the Registrar & Share Transfer Agent in respect of shares if held in physical form. In case of shares held in electronic form, these details should be furnished to the respective Depository Participants (DPs).
10. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Permanent Account Number ("PAN") by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN card numbers / copies of PAN card to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agent, M/s. Purva Sharegistry (India) Private Limited.
11. The Securities and Exchange Board of India ("SEBI") has mandated that transfer of securities would be carried out in dematerialized form only w.e.f. 5<sup>th</sup> December, 2018. In view of the same and to avail various benefits of dematerialization, members are requested to dematerialize shares held by them in physical form. Members may contact the Company or Share Transfer Agent, for assistance in this regard.
12. SEBI vide its notification dated January 24, 2022 has amended Regulation 40 of SEBI Listing Regulations, and has mandated the Listed Companies to issue securities in dematerialized form only while processing service requests viz, issue of duplicate securities certificate, claim for unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificate / folios, transmission and transposition. Accordingly, members are requested to contact Company's Share Transfer Agent, for assistance in this regard.

13. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly filled in to M/s. Purva Shareregistry (India) Private Limited at the Registered Office of the Company. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.
14. Members may please note that the Notice of the 30<sup>th</sup> Annual General Meeting and the Annual Report for the year ended March 31, 2024 will also be available on the Company's website [www.ken-fin.com](http://www.ken-fin.com) for their download. For any communication, the shareholders may also send requests to the Company's investor email id: [kenfsl@rediffmail.com](mailto:kenfsl@rediffmail.com). Notice can also be accessed from the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 as amended from time to time and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 30<sup>th</sup> AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of AGM will be provided by CDSL.
16. The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
17. M/s. Nitesh Chaudhary & Associates, Practicing Company Secretary, Membership No. F 10010, COP 16275, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
18. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE\_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE\_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/HO/ OIAE/OIAE\_IAD1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal at <https://smartodr.in/login>.

**19. Instructions for shareholders for registration of E-mail Ids and Bank Details:****(i) For Temporary Registration of e-mail id for Demat shareholders:**

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Purva Sharegistry (India) Pvt. Ltd. by clicking the link: <http://www.purvashare.com/email-and-phone-updation/in> their web site [www.purvashare.com](http://www.purvashare.com) and follow the registration process as guided therein.

The members are requested to provide details such as Name, DPID, Client ID/ PAN, mobile number and e-mail id. In case of any query, a member may send an e-mail to RTA at [support@purvashare.com](mailto:support@purvashare.com). On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in link for verification.

**(ii) For Permanent Registration of e-mail id for Demat shareholders:**

It is clarified that for permanent registration of e-mail address, Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the DP.

**(iii) Registration of email id for shareholders holding physical shares:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Purva Sharegistry (India) Private Limited, by clicking the link: <http://www.purvashare.com/email-and-phone-updation/> in their web site [www.purvashare.com](http://www.purvashare.com) and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, mobile number and e mail id. In case of any query, a member may send an e-mail to RTA at [support@purvashare.com](mailto:support@purvashare.com). On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

**(iv) Registration of Bank Details for physical shareholders:**

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Purva Sharegistry (India) Private Limited, by sending E mail at [support@purvashare.com](mailto:support@purvashare.com). The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e – mail id on a covering letter requesting to update the bank details signed by all the shareholder(s), self-attested PAN card copy and address proof along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. In case of query, member may send an e-mail to RTA at [support@purvashare.com](mailto:support@purvashare.com).

**(v) Registration of Bank Details for Demat shareholders:**

It is clarified that for registration of bank details, the Members are requested to register their bank details, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

20. **Instructions for shareholders for remote e-voting and joining the meeting are as under:**

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The remote e-voting period begins on August 20, 2024 (09.00 a.m.) and ends on August 22, 2024 (05.00 p.m.). During this period, members of Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Friday, August 16, 2024, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

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

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

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

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



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

Type of shareholders	Login Method
<p>Individual Shareholders holding securities in Demat mode with Individual Shareholders holding securities in demat mode with NSDL CDSL</p>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi / Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(iv) Login method for e-Voting and joining the meeting for Physical shareholders and shareholders other than individual holding in Demat form:

1. The shareholders should log on to e-voting website [www.evotingindia.com](http://www.evotingindia.com).
2. Click on “Shareholders” module.
3. Now Enter your User ID:
  - (a) For CDSL: 16 digits beneficiary ID,
  - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Detail OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field.</li> </ul>

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

9. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant company <KEN FINANCIAL SERVICES LIMITED> on which you choose to vote.
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by you by clicking on “Click here to print” option on the voting page.
16. If a Demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
18. **Additional Facility for Non – Individual Shareholders and Custodians – For remote e-voting only:**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; kenfsl@rediffmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**(v) Instructions for shareholders attending the AGM through VC / OAVM and E-voting During the meeting are as under:**

1. The procedure for attending meeting & e-voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders may send their queries in advance atleast 7 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at kenfsl@rediffmail.com. These queries will be replied to by the company suitably by email. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7 days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at kenfsl@rediffmail.com.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
9. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

**Process for those shareholders whose email addresses are not registered with the Company / Depositories:**

- (a) For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company / RTA email id.
- (b) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP).
- (c) For Individual Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

**Explanatory Statement under Section 102 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

The following Statement sets out all the material facts relating to the Special Business mentioned in the accompanying Notice:

**Item No. 3:**

The Board of Directors of the Company, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on Thursday, 30<sup>th</sup> May, 2024, appointed Mr. Rajesh Babulal Sodani (holding DIN 05010096) as an Additional Director – Independent Director of the Company with effect from 30<sup>th</sup> May, 2024.

Pursuant to the provisions of Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Rajesh Babulal Sodani holds office up to the date of ensuing Annual General Meeting. The Company has received notice under Section 160 of the Act from a member proposing the candidature of Mr. Rajesh Babulal Sodani as an Independent Director of the Company.

Mr. Rajesh Babulal Sodani is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as an Independent Director. The Company has received a declaration from Mr. Rajesh Babulal Sodani to the effect that he fulfills all criteria for independence stipulated in the Companies Act, 2013 and the Listing Regulations. He has also confirmed that he is not debarred from holding the office of Director by virtue of any SEBI Order or any such authority pursuant to circulars issued by BSE Limited pertaining to enforcement of SEBI Orders regarding appointment of Directors by the listed companies.

In the opinion of the Board of Directors, Mr. Rajesh Babulal Sodani is independent of the management of the Company and fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and Regulation 16 of Listing Regulations for appointment as an Independent Director.

The Board of Directors is of the opinion that Mr. Rajesh Babulal Sodani is a person of integrity and has relevant experience and expertise for being appointed as an Independent Director.

The Board considered that Mr. Rajesh Babulal Sodani is having a wide experience of business development and has a vision to lead the business in an ethical way helps the company to lead in the better corporate governance. He also has wide experience in Audit and Financial Management and provides an objective perspective and opinion regarding the organization's status and key corporate decisions. These qualities will be of immense benefit and value to the Company and it is desirable to avail services of Mr. Rajesh Babulal Sodani as an Independent Director of the Company for a term of five consecutive years from August 23, 2024 to August 22, 2029.

The information as required under Regulation 36 of Listing Regulations and Secretarial Standard on General Meetings of Mr. Rajesh Babulal Sodani is provided in annexure to this Notice.

Based on recommendation of Nomination and Remuneration Committee, the Board recommends Ordinary Resolution as set out at Item No. 3 of the Notice of the AGM for the approval by the members.

Except Mr. Rajesh Babulal Sodani being the appointee director, none of the other Directors and the Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 3 of the Notice.

**Registered office:**

F-9, 1<sup>st</sup> Floor, Shah Arcade 1,  
Rani Sati Marg,  
Near W.E. Highway,  
Malad (East), Mumbai - 400 097.

**Place: Mumbai**

**Date: July 25, 2024**

**For and on behalf of the Board**

Sd/-

**Shakti Singh Rathore**

**Managing Director**

**DIN: 09208373**



**ANNEXURE**

**Pursuant to Regulation 36(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Information about the directors proposed to be appointed / re-appointed is furnished below:**

1.

Name of Director	Mr. Shakti Singh Rathore
Date of Birth	21-05-1992
No. of Equity Shares held	Nil
Qualification	Graduate
Relationship with other Directors	None
Nature of Expertise	Work experience of more than 10 years in Finance, Accounts, Taxation and Commercial function with strategic planning, budgeting and procurement alongwith a visionary leadership and management skills.
Name of Companies in which he / she holds Directorship	1. Fur and Fluff Foundation
Names of Committees of Companies of which he / she holds membership	Nil

2.

Name of Director	Mr. Rajesh Babulal Sodani
Date of Birth	16-05-1966
No. of Equity Shares held	Nil
Qualification	Graduate
Relationship with other Directors	None
Nature of Expertise	He is having a wide experience of business development and has a vision to lead the business in an ethical way helps the company to lead in the better corporate governance. He also has wide experience in Audit and Financial Management and provides an objective perspective and opinion regarding the organization's status and key corporate decisions.
Name of Companies in which he / she holds Directorship	1. Online Support and Services Private Limited - Director 2. Niranjn Realtors LLP - Designated Partner
Names of Committees of Companies of which he / she holds membership	1. Audit Committee 2. Nomination & Remuneration Committee 3. Stakeholders Relationship Committee

## **DIRECTORS' REPORT**

To,  
The Members,  
**Ken Financial Services Limited**

Your Directors have pleasure in presenting the **30<sup>th</sup> Annual Report** on the Business and Operations of the Company together with the Audited Statement of Accounts of the Company for the financial year ended on March 31, 2024.

### **1. Financial Results:**

The financial results are summarized below:

(Amount in Hundreds)

	<b>Particulars</b>	<b>For the year ended March 31, 2024</b>	<b>For the year ended March 31, 2023</b>
A	Total Income	58,007	7,90,297
B	Total Expenses	46,544	6,91,331
C	Profit/(Loss) Before Tax	11,463	98,966
D	Tax expense:		
	- Current Tax	3,840	33,090
	- Tax for earlier years	-	5,957
	- Deferred Tax	(59.20)	(1,839)
E	Profit/(Loss) after Tax	7,682	61,758

### **2. Financial Performance:**

During the year, the Company has earned Total Income of Rs.58,007 hundreds in comparison to Rs. 7,90,297 hundreds during the previous year. The Net Profit after tax is Rs. 7,682 hundreds in comparison with Rs.61,758 hundreds during the previous year. Your directors are of the opinion of performing better in forthcoming year. There is no change in the nature of business carried on by the Company during the financial year ended March 31, 2024.

### **3. Dividend & Reserves:**

The Board of Directors of your Company has decided not to recommend any dividend on the Equity Shares of the Company for the financial year ended March 31, 2024 and no amount of profit earned during the year was transferred to General Reserve.

### **4. Management Discussion & Analysis:**

The Company is a non-systemically important non-deposit taking non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI) since March 24, 1998, with registration number 13.00423 and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22<sup>nd</sup> February, 2019. The Company is mainly engaged in the business of financing and continues to comply with all the rules, regulations and the guidelines issued by RBI. There are no material changes between the end of the financial year and the date of the report which may affect the financial position of the Company. Management Discussion & Analysis report is being given under Corporate Governance Report.

**5. Listing with Stock Exchanges:**

The Equity Shares of the Company are listed on BSE Limited (“BSE”).

**6. Dematerialization of Shares:**

99.38% of Company’s paid-up Equity Share Capital is in dematerialized form as on March 31, 2024 and the balance 0.62% is in physical form. The Company’s Registrar and Transfer Agent is M/s. Purva Sharegistry (India) Private Limited having their registered office at Unit No.9, Shiv Shakti Industrial Estate, Gr. Floor, J R Boricha Marg, Lower Parel, Mumbai - 400 011.

**7. Internal Financial Controls:**

Internal Financial Controls have been documented, automated wherever possible and embedded in the respective business processes. Assurance to the Board on the effectiveness of Internal Financial Controls is obtained through 3 Lines of defense which include:

- a) Management reviews and self-assessment;
- b) Continuous controls monitoring by functional experts; and
- c) Independent design and operational testing by the Internal Audit function.

The Company believes that these systems provide reasonable assurance that the Company’s Internal Financial Controls are adequate and are operating effectively as intended.

**8. Finance & Accounts:**

The Company is having adequate resources at its disposal to meet its business requirements and for efficient conduct of business. The Company has not raised any funds by issue of any securities during the year.

Company has adequate financial resources at its disposal for carrying on its business. Our company is required to prepare financial statements under Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

The estimates and judgments relating to financial statements are made on prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company’s state of affairs for the F.Y. 2023-24.

**9. Subsidiaries, Joint Ventures and Associates Companies:**

The Company does not have any Subsidiaries/ Joint Ventures/ Associate Companies. Hence the statement containing salient features of the financial statement of Subsidiaries/ Joint Ventures/ Associate Companies pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014 under Form AOC-1, is not applicable to the Company.

**10. Deposits:**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

**11. Statutory Auditors:**

(a) The members of the Company at the 26<sup>th</sup> AGM held on 28<sup>th</sup> September, 2020 had appointed M/s. Satya Prakash Natani & Co. (having Firm Registration No. 115438W), Chartered Accountants, Mumbai, as the Statutory Auditors of the Company for a term of 5 years and accordingly they hold their office till the conclusion of Annual General Meeting to be held in the year 2025.

(b) The Auditors' Report is unmodified i.e. it does not contain any qualification, reservation or adverse remark or disclaimer. All the details read together with relevant notes to the accounts and accounting policies are self - explanatory and do not call for further comments.

**12. Secretarial Auditors:**

(a) Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. Abhilasha Chaudhary & Associates, Practising Company Secretary, Mumbai, as the Secretarial Auditor of the Company.

(b) The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed as Annexure A. As regards, to the qualification in the Report, we submit that virtual inspection was conducted on 19<sup>th</sup> December, 2023 at 12:00 noon through Webex meeting and our Company's name was removed from the list of SDD non-compliant on BSE website.

**13. Internal Auditors:**

The internal audit function provides an independent view to the Board of Directors, the Audit Committee and the Senior Management on the quality and efficacy of the internal controls, governance systems and processes. The Internal Auditor monitors and evaluates the efficacy & adequacy of internal financial controls & internal control system in the Company that has been put in place to mitigate the risks faced by the organization and thereby achieves its business objective.

The internal control and compliance are on-going process. Based on the findings and report of the internal auditor, process owners undertake corrective action that may be required in their respective areas for further strengthening the controls and control environment. Significant audit observations and corrective actions thereon are presented to the Audit Committee. The internal auditors also independently carry out the design evaluation and testing of controls related to requirements of Internal Financial Controls. The evaluation of design effectiveness and testing of controls for various business activities, processes and sub processes was carried out and found satisfactory.

In terms of Section 138 of Companies Act, 2013 and Rules made thereunder, M/s. P N S V & Co., Chartered Accountants are the Internal Auditors of the Company.

**14. Reporting of Fraud by Auditors:**

During the year, the Statutory Auditors and Secretarial Auditor have not reported, any incident of fraud committed in your Company by its Officers or Employees, to the Audit Committee and / or to the Board under Section 143(12) of the Companies Act, 2013.

**15. Annual Return:**

Pursuant to Section 92(3) and 134(3)(a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the copy of Annual Return can be accessed at Company's website at [www.ken-fin.com](http://www.ken-fin.com).

**16. Foreign Exchange Earnings / Outgo:**

The Company has neither incurred any expenditure nor earned any income in foreign exchange.

**17. Particulars Regarding Conservation of Energy, Technology Absorption:**

Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 requires disclosure of particulars regarding conservation of Energy and Technology absorption. The Company is not having manufacturing facilities of its own; therefore, information required under this clause is not applicable to the Company.

**18. Unsecured Loans from Directors:**

The Company has not received any loan (secured/ unsecured) from the Directors of the Company during the year under review.

**19. Corporate Social Responsibility (CSR):**

The Company does not fall under the prescribed class of companies' u/s 135(2) of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014. Hence CSR is not applicable to the Company.

**20. Human Resources:**

KFSL has highly committed, loyal and dedicated team. The Company promotes an atmosphere which encourages learning and informal communication within the organisation. The Company is having Performance Management System to objectively measure the performance of the individual and the organization. The overall remuneration structure is linked with such system. The other required safety norms were followed throughout the company.

**21. Meetings of the Board:**

The Board of Directors of the Company duly met 5 (five) times during the Financial Year 2023-24 on 29-05-2023, 19-07-2023, 11-08-2023, 09-11-2023 and 06-02-2024. Details of the meetings and attendance thereat form part of the Corporate Governance Report.

The gap between two Board meetings was within the limit prescribed under Section 173(1) of the Act and Regulation 17(2) of the SEBI Listing Regulations.

**22. Disqualification of Directors:**

During the year, the Company has received Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 that none of the Directors of your Company is disqualified to hold office as director and debarred from holding the office of a Director.

**23. Board of Directors and Key Managerial Personnel:**

**(i) Appointment of Directors:**

The Board of Directors of the Company appointed Mr. Ritesh Kumar Pathak (holding DIN 09517090) as an Additional Director - Independent Director with effect from close of business hours of 14<sup>th</sup> March, 2023.

Subsequently, the members of the Company, at their 29<sup>th</sup> AGM held on 15<sup>th</sup> September, 2023, appointed Mr. Ritesh Kumar Pathak as an Independent Non-Executive Director of the Company with effect from 15<sup>th</sup> September, 2023, to hold office for a term of five consecutive years i.e up to 14<sup>th</sup> September, 2028.

**(ii) Cessation of Independent Director:**

Mr. Manoj Kumar More (holding DIN 00040190), Independent Director of the Company, has completed his second and final term as an Independent Director and consequently ceased to be a Director of the Company with effect from 30<sup>th</sup> May, 2024.

**(iii) Appointment of Additional Director:**

The Board of Directors of the Company appointed Mr. Rajesh Babulal Sodani holding DIN 05010096), as an Additional Director- Independent Director on the Board with effect from 30<sup>th</sup> May, 2024.

**(iv) Appointment of Directors retiring by rotation:**

Mr. Shakti Singh Rathore (holding DIN 09208373) Director of the Company, will retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

**(v) Declaration by Independent Directors:**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**24. Vigil Mechanism /Whistle Blower Policy:**

A vigil mechanism provides a channel to employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or any Policy of the Company. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior the company has adopted a vigil mechanism policy pursuant to the requirements of Section 177(9) of the Act and Regulation 22 of the SEBI Listing Regulations and the same can be accessed on Company's website [www.ken-fin.com](http://www.ken-fin.com).

**25. Nomination and Remuneration Policy:**

The Nomination & Remuneration Committee of the Board of Directors has adopted a policy which deals with the manner of selection and appointment of Directors, Senior Management and their remuneration. The policy is in compliance with the provisions of Section 178(3) of the Companies Act, 2013. The Remuneration Policy is stated in the Report on Corporate Governance and the same can be accessed on Company's website [www.ken-fin.com](http://www.ken-fin.com).

**26. Directors Responsibility Statement:**

According to the provisions of Section 134(3)(c) of the Companies Act, 2013, the directors confirm that:

- a) in the preparation of annual accounts for the financial year ended March 31, 2024, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the accounting policies as selected are consistently applied and made judgements and estimates that are reasonable and prudent manner so as to ensure true and fair view of the state of affairs of the Company as at March 31, 2024 and of the profit of the Company for the year ended on that date;
- c) adequate accounting records are maintained in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) financial statements have been drawn up on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

**27. Secretarial Standards of ICSI:**

Pursuant to the provisions of Section 118 of the Act, 2013 during Financial Year 2023-24, the Company has adhered with the applicable provisions of the Secretarial Standards ("SS-1" and "SS-2") relating to 'Meetings of the Board of Directors' and 'General Meetings' issued by the Institute of Company Secretaries of India ("ICSI") and notified by Ministry of Corporate Affairs.

**28. Particulars of Loans, Guarantees or Investments:**

The Company being an NBFC registered with the RBI and engaged in the business of giving loans in ordinary course of its business.

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

**29. Related Party Transactions:**

Contracts/arrangement/transactions entered by the Company during Financial Year 2023-24 with related parties were in compliance with the applicable provisions of the Act and SEBI Listing Regulations.

All related party transactions entered during Financial Year 2023-24 were on arm's length basis and not material under the Act and SEBI Listing Regulations. None of the transactions required members' prior approval under the Act or SEBI Listing Regulations. Details of transactions with related parties during Financial Year 2023-24 are provided in the notes to the financial statements.

There were no transaction requiring disclosure under Section 134(3)(h) of the Companies Act, 2013. Hence, Form AOC-2 does not form a part of this report.

**30. Risk Management:**

The Company has long been following the principle of risk minimization as its norm in every industry. The Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the Company. The Risk Management Policy can be accessed on Company's website [www.ken-fin.com](http://www.ken-fin.com).

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative.

The common risks are regulations, competition, business risk, technology obsolescence, investments, retention of talent and expansion of facilities. Business risk further includes financial risk, political risk, fidelity risk and legal risk. As a matter of policy, these risks are assessed and appropriate steps are taken to mitigate the same.

**31. Safety:**

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.



**32. Significant and Material Orders Passed by the Regulators or Courts or Tribunal:**

During the year, there were no significant and material orders passed by Regulators or Courts or Tribunal impacting the going concern status of the Company and its future operations.

**33. Material changes and commitments affecting the Financial Position of the Company:**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates on the date of this report.

**34. Board Evaluation:**

To comply with the provisions of Section 134(3)(p) of the Act read with Rules made thereunder and Regulation 17(10) of the SEBI Listing Regulations, the Board has carried out the annual performance evaluation of the Directors individually, including the Independent Directors, Board as a whole and Committees of the Board of Directors. The annual performance evaluation has been carried out and the same is explained in detail in Corporate Governance Report which forms part of this report. The Board is responsible to monitor and review the evaluation framework. Further, in compliance with Regulation 25(4) of the SEBI Listing Regulations, Independent Directors have also evaluated the performance of Non-Independent Directors, Chairman and Board as a whole, at a separate meeting of Independent Directors of the Company.

**35. Audit Committee:**

Pursuant to provisions of Section 177(8) of the Companies Act, 2013 read with Rule 6 & 7 of the Companies (Meetings of the Board and its Power) Rules, 2013, the Audit Committee is comprised of three Independent Directors. The composition of the Audit Committee is as under:

<b>Name</b>	<b>Designation</b>	<b>Category</b>
Mr. Manoj Kumar More <sup>1</sup>	Chairman	Non-Executive Independent Director
Mr. Rajesh Babulal Sodani <sup>2</sup>	Chairman	Non-Executive Independent Director
Ms. Neha Kailash Bhageria	Member	Non-Executive Independent Director
Mr. Ritesh Kumar Pathak	Member	Non-Executive Independent Director

<sup>1</sup>Upto 30<sup>th</sup> May, 2024

<sup>2</sup>From 30<sup>th</sup> May, 2024

All the recommendations made by the Audit Committee were accepted by the Board.

**36. Nomination & Remuneration Committee:**

Pursuant to provisions of Section 178(1) of the Companies Act, 2013, the Nomination and Remuneration Committee is comprised of three Independent Directors. The composition of the Committee is as under:

Name	Designation	Category
Mr. Ritesh Kumar Pathak	Chairman	Non-Executive Independent Director
Mr. Manoj Kumar More <sup>1</sup>	Member	Non-Executive Independent Director
Ms. Neha Kailash Bhageria	Member	Non-Executive Independent Director
Mr. Rajesh Babulal Sodani <sup>2</sup>	Member	Non-Executive Independent Director

<sup>1</sup>Upto 30<sup>th</sup> May, 2024

<sup>2</sup>From 30<sup>th</sup> May, 2024

All the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

### 37. **Ratio of Remuneration:**

The information pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

(Amount in Hundreds)

Sr. No.	Name	Designation	Remuneration for the F.Y. 2023-24	% increase (decrease) from previous year	Ratio / Times per median of employee remuneration
1.	Mr. Shakti Singh Rathore	Managing Director	8,057	11.13 %	3.36 times
2.	Mr. Praveen Kumar Modi	Director	3,600	Nil	1.50 times
3.	Mrs. Sarika Agarwal	Company Secretary	2,400	Nil	1.00 times

The particulars of the employees as required under Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company as none of the employees of the Company was in receipt of remuneration as prescribed under the said Rules.

### 38. **Corporate Governance:**

Your Company is committed to maintain the highest standards of Corporate Governance and adheres to the Corporate Governance requirements set out by SEBI. All Board members and senior management personnel have affirmed compliance with the Company's code of conduct for Financial Year 2023-24.

We hereby confirm that the Company has complied with corporate governance requirements specified in Regulation 17 to 27 and other applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### 39. **Share Capital:**

#### A) **Buy Back of Securities**

The Company has not bought back any of its securities during the year.

**B) Sweat Equity**

The Company has not issued any Sweat Equity Shares during the year.

**C) Bonus Shares**

No Bonus Shares were issued during the year.

**D) Employees Stock Option Plan**

The Company has not provided any stock option plan during the year.

**40. RBI Guidelines:**

The Reserve Bank of India (RBI) Governor Ms. Shaktikanta Das announced the Monetary Policy Committee (MPC) decisions. India's central bank left its benchmark interest rate unchanged, as expected, keeping its focus on inflation amid policy uncertainty following an unexpected election result. The Monetary Policy Committee was to deliberate on key policy decisions. This comes as food inflation has been a persistent concern, with urban areas experiencing a 1.03 per cent rise while rural areas seeing a 0.59 per cent increase in April, leading to a combined national food inflation increase of 0.74 per cent. The decision comes amid robust growth momentum as retail inflation hit an 11-month low in April 2024 at 4.83 per cent.

**41. Cyber security governance:**

Cyber security governance includes a board member overseeing the cybersecurity strategy and the executive management team, accountable for managing cybersecurity. The Senior Management track all the recent happenings related to cyber security risks on ongoing and periodical basis and solves the related issues.

**42. Acknowledgment:**

Your Directors convey their appreciation to all the Company's employees for their enormous personal efforts as well as collective contribution to the Company's performance. The Directors would also like to thank the investors, Customers, Bankers, Government, Lead Managers and all the other business associates for the continuous support given by them to the Company and their confidence in its Management.

**Registered Office:**

F-9, 1<sup>st</sup> Floor, Shah Arcade 1,  
Rani Sati Marg,  
Near W.E. Highway,  
Malad (East),  
Mumbai - 400 097.

**For and on behalf of the Board**

Sd/-

**Shakti Singh Rathore**  
Managing Director  
DIN: 09208373

Sd/-

**Praveen Kumar Modi**  
Director  
DIN: 08428737

Place: Mumbai

Dated: July 25, 2024



**MR-3**

**SECRETARIAL AUDIT REPORT**

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

To,  
The Members,  
Ken Financial Services Ltd.  
F-9, 1<sup>st</sup> Floor, Shah Arcade 1, Rani Sati Marg,  
Near W. E. Highway, Malad (East) Mumbai-400 097

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to corporate practices by **Ken Financial Services Ltd. (hereinafter called the 'Company')** for the audit period covering the Financial Year from **01<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024** ('the audit period'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and return is filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2024**, has 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 Company for the financial year ended on **31<sup>st</sup> March, 2024** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **During the financial year under review, the Company has not issued any capital and has not raised and fund through public. Hence the provision of said regulation are not applicable to the Company.**
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations 2021 - **During the financial year under review, the Company has not issued any shares/options under the (ESOP) said guidelines / regulations. Hence the provisions of the said regulation are not applicable to the company.;**





- (f) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **As the company has not issued any debt securities during the period under review the provisions of the said regulation are not applicable to the company;**
- (g) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **-As the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review, the said Regulation is not applicable to the Company;**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **The equity shares of the company are neither delisted nor proposed to be delisted. Hence the provision of said regulation not applicable to the company;**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **The Company has not bought back or propose to buy-back any of its securities during the year under review, hence the said regulation is not applicable to the company;**
- (vi) Having regards to the compliance system prevailing in the Company, information representation provided by management and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;
- i. Circulars, Directions and Notification issued under Reserve Bank of India Act in relation to Non-Banking Financial (Non - Deposit Accepting or Holding) Companies which include any statutory revisions, modifications etc;
  - ii. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;
  - iii. Minimum Wages Act.

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

- Secretarial Standards with respect to Meeting of Board of Director(SS-1), General Meeting (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India related to Board meetings, General Meeting and Dividend;
- The 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 subject to following observations:

- **During the year under review, we have raised the observation for certain entries which were not entered in the SDD software of the company, further the management noted the observation and provided assurance to comply with the same.**

**I further report that:**

- (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes made 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.
- (ii) Proper notice is given to all directors to schedule the Board and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- (iii) Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.





- (iv) 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.

**Additional Information:**

*During the year under review BSE has sought clarification on significant movement in price and the company has provided the clarification in appropriate manner*

**I further report that:**

During the audit period, there were no instances of:

- (i) Public/Rights/debentures/ sweat equity.
- (ii) Redemption/buy-back of securities.
- (iii) Merger/ amalgamation/ reconstruction etc.
- (iv) Foreign technical collaborations.

For Abhilasha Chaudhary & Associates  
Practicing Company Secretary

Sd/-

Abhilasha Chaudhary,  
Proprietor

Mem. No: 62496

COP No: 23604

UDIN: A062496F000823498

Date: 25/07/2024

**Note:**

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



**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To,  
The Members,  
Ken Financial Services Ltd.  
F-9, 1<sup>st</sup> Floor, Shah Arcade 1, Rani Sati Marg,  
Near W. E. Highway, Malad (East) Mumbai-400 097

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

**Management's Responsibility**

- 1) It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

**Auditor's Responsibility**

- 2) I 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 the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- 5) The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

**Disclaimer**

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

For Abhilasha Chaudhary & Associates  
Practicing Company Secretary

Sd/-  
Abhilasha Chaudhary,  
Proprietor  
Mem. No. 62496; COP: 23604  
UDIN: A062496F000823498

Date: 25/07/2024



## **REPORT ON CORPORATE GOVERNANCE**

*(Pursuant to Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

Corporate Governance is essentially the management of an organisation's activities in accordance with policies that are value-accretive for all stakeholders. At KFSL, the Management strongly believes in fostering a governance philosophy that is committed to maintaining accountability, transparency and responsibility, which are integral to the Company's day-to-day operations. In order to keep up the highest level of standards regarding Corporate Governance and Disclosures, the Management has instituted several committees that oversee various aspects of the organisation's administration formed in accordance with the Companies Act, 2013, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), the Committees inspect and resolve issues that may arise from time to time within the Company. On a regular basis, the Board members of the Company are appraised of all the vital issues that comes across and remedial actions taken in this regard. Through this robust Corporate Governance mechanism that interlinks values, ethics and positive culture, the Company aims to achieve long-term sustainability.

The established corporate governance framework that:

- Empowers the business, enabling strategic execution and operational excellence;
- Ensures high-quality decision-making with clear accountabilities at all levels and
- Instills a robust approach to risk management to effectively identify, manage and mitigate risks and capture opportunities.

The Company is in compliance with the Corporate Governance Code as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). This report outlines compliance with requirements of the Companies Act, 2013, as amended (the 'Act'), the SEBI Listing Regulations and Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, as amended as applicable to the Company.

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Good corporate governance is a synonym for sound management, transparency and adequate disclosure, encompassing good corporate practices, procedures, standards and implicit rules which propel a company to take sound decisions. As a Company with a strong sense of values and commitment, Ken Financial Services Limited (KFSL) believes that profitability must go hand in hand with a sense of responsibility towards all stakeholders. This is an integral part of KFSL's business philosophy. The cardinal principles such as independence, accountability, responsibility, transparency, trusteeship and disclosure serve as means for implementing the philosophy of Corporate Governance.

This philosophy is reflected and practiced through KFSL, Further, these practices allow the Board to make decisions that are independent of the management. The Company is



committed to focus its energies and resources in creating and positively leveraging shareholders' wealth and, at the same time, safeguarding the interests of all stakeholders. This is our path to sustainable and profitable existence and growth. The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director's remuneration and Board effectiveness review. The Company is committed to driving these values and strives to set the highest standards in governance and business ethics.

The Company has adopted Governance Guidelines to cover aspects related to composition and role of the Board, Chairman and Directors, Board diversity, Director's term, retirement age and committees of the Board. It also covers aspects relating to nomination, appointment, induction of Directors, Director's remuneration and Board effectiveness review. The Company is committed to driving these values and strives to set the highest standards in governance and business ethics.

## 2. BOARD OF DIRECTORS

### (i) Composition and Category of Directors as on March 31, 2024

In compliance with the provisions of the SEBI Listing Regulations, the Company has an optimum combination of executive and non-executive directors with a woman independent director. The Company has a non-executive Chairman.

Name of Directors	Designation	Category
Mr. Manoj Kumar More	Chairman	*Non-Executive
Mr. Shakti Singh Rathore	Managing Director	Executive
Mr. Praveen Kumar Modi	Director & CFO	Executive
Ms. Neha Kailash Bhageria	Director	*Non-Executive
Mr. Ritesh Kumar Pathak	Director	*Non-Executive

\*Also Independent

Independent Director is defined as one who apart from receiving sitting fee as a Director, does not have any other material pecuniary relationship or transactions in his personal capacity with the Company, its promoters & management.

### (ii) Meetings and Attendance of Directors during the F.Y. 2023-24

During the F.Y. 2023-24, the Board of Directors met 5 (five) times. The meetings were held on 29-05-2023, 19-07-2023, 11-08-2023, 09-11-2023 and on 06-02-2024. Attendance of Directors in meetings held during the financial year 2023-24:

Name of Directors	No. of Board Meeting attended in F.Y. 2023-24	Attendance at Last AGM (15-09-2023)
Mr. Manoj Kumar More	5	Yes
Mr. Shakti Singh Rathore	5	Yes
Mr. Praveen Kumar Modi	5	Yes
Ms. Neha Kailash Bhageria	5	Yes
Mr. Ritesh Kumar Pathak	5	Yes

**(iii) Directorships and Committees position held in other Companies as on 31-03-2024:**

Name of the Director	No. of outside Directorship held	No. of committee# positions		Directorship in other listed entities
		As Chairman	As Member	Name and Category
Mr. Manoj Kumar More	5	3	2	DJS Stock and Shares Limited - Director
Mr. Shakti Singh Rathore	1	None	None	Nil
Mr. Praveen Modi	0	None	None	Nil
Ms. Neha Kailash Bhageria	2	None	6	1. DJS Stock and Shares Limited - Director 2. Nexus Surgical and Medicare Limited - Director
Mr. Ritesh Kumar Pathak	0	1	2	Nil

#Only three Committees viz. Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration committee are considered.

**(iv) Disclosure of relationships between Director inter-se:**

Table given below shows the relationship between the Directors:

Name of the Directors	Category	Relationship between Directors Inter-se
Mr. Shakti Singh Rathore	Professional Executive	None
Mr. Praveen Kumar Modi	Professional Executive	None
Mr. Manoj Kumar More	Independent	None
Ms. Neha Kailash Bhageria	Independent	None
Mr. Ritesh Kumar Pathak	Independent	None

**(v) Shareholding of Non- Executive Directors in the Company**

The Shareholding of Non- Executive Directors in the Company as on March 31, 2024:

Name of Directors	Category	No. of shares
Mr. Manoj Kumar More	Non-Executive Independent	NIL
Ms. Neha Kailash Bhageria	Non-Executive Independent	NIL
Mr. Ritesh Kumar Pathak	Non-Executive Independent	NIL

**(vi) Familiarization programmes for Independent Directors:**

An appropriate induction programme for new Directors and ongoing training for existing Directors is a major contributor in maintaining high standards of Corporate Governance in the Company. The management provides such information and training either at the meeting of Board of Directors/ Committees or otherwise. The details of such familiarization programme for Independent Directors are posted on website of the Company at [www.nexusmed.co.in](http://www.nexusmed.co.in). The Board of Directors confirm that the Independent Directors fulfill the conditions specified in the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 and are independent of management.

**(vii) Board diversity**

To ensure that a transparent Board nomination process is in place that encourages diversity of thought, experience, knowledge, perspective, age and gender, the Board has adopted a Diversity Policy, formulated by the Nomination and Remuneration Committee (NRC), wherein it is stated that the Board has an appropriate blend of functional and industry expertise. Whilst recommending the appointment of a Director, the NRC considers the manner in which, the function and domain expertise of the individual, could contribute to the overall skill-domain mix of the Board and is supported by the Company in this regard.

**(viii) Skills, Expertise and Competencies of the Board**

The Board comprised of qualified members who bring in the required skills, competence and expertise to enable them to effectively contribute in deliberations at Board and Committee Meetings. As stipulated under schedule V to the SEBI Listing Regulations, a mix of skills, expertise and competence expected to be possessed by our individual Directors are present, which are key to corporate governance and Board effectiveness.

- Entrepreneur / Leadership
- Financial Expertise
- Diversity & Business Development
- Board Service and Governance
- Sales & Marketing / Team Management
- Consistent Skills and knowledge development
- Legal, Finance and Accountancy
- IT business operations
- Human resource and stakeholder engagement

**(ix) Opinion of the Board**

The Board hereby confirms that, in its opinion, the independent directors fulfil the conditions specified under the SEBI Listing Regulations and the Act and are independent of the management of the Company.

**(x) Information placed before the Board**

The Board of Directors ('the Board') is the apex body, constituted by the shareholders, for overseeing the Company's overall functioning. The Board provides strategic direction, leadership and guidance to the Company Management as also monitors the performance of the Company with the objective of creating long-term value for the various stakeholders and the Company. During the year under review, the composition of the Board was in conformity with Regulation 17 of the SEBI Listing Regulations read together with Section 149 and 152 of the Act and rules framed thereunder.

The Board is presented with relevant information on various matters related to the working of the Company, especially those that require deliberation at the highest level. Presentations are also made to the Board by key members of the senior management on important matters from time to time. In addition to items required to be placed before the Board for its noting and/or approval, information is provided on various significant items.

In terms of quality and importance, the information supplied by Management to the Board is far ahead of the mandate under the SEBI Listing Regulations.

Pursuant to the various regulatory requirements and considering business needs, the Board is apprised on various matters, *inter alia*, covering the following:

- Business plans, forecast and strategic initiatives
- Capital expenditure and updates
- Internal financial controls
- Details of incidence of frauds, and corrective action taken thereon
- Supervisory and observation letters issued by RBI
- Status of compliance with Act, SEBI regulations, RBI Regulations and shareholder related matters
- Risk management system, Risk Management Policy and strategy followed
- Compliance with corporate governance standards
- Minutes of meetings of various Committees
- Compliance with fair practices code
- Functioning of customer grievance redressal mechanism

**(xi) Orderly succession to Board and Senior Management**

The Nomination and Remuneration Committee works with the Board on the leadership succession plan to ensure orderly succession in appointments to the Board and in the senior management. The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity. By integrating workforce planning with strategic business planning, the Company deploys the necessary financial and human resources to meet its objectives. Succession planning and elevation within the organization, fuel the ambitions of its talent force, to earn future leadership roles.

Succession planning is a critical element of the human resources strategy at the Company. In selecting between a 'build versus buy' talent model, the Company places a larger emphasis on building talent. This strategy is enabled by hiring most of our employees near the entry level and grooming them using a 'grow from within' career management framework.

**(xii) Performance Evaluation Criteria for Independent Directors:**

In terms of the provisions of Section 178(3) of the Act, and Regulation 19 of the SEBI Listing Regulations, the Nomination and Remuneration Committee (NRC) has formulated the criteria for determining qualifications, positive attributes and independence of Directors. The key features of which are as follows:

- Qualifications - The Board nomination process encourages diversity of thought, experience, knowledge, age and gender. It also ensures that the Board has an appropriate blend of functional and industry expertise.

- **Positive Attributes** - Apart from the duties of Directors as prescribed in the Act, the Directors are expected to demonstrate high standards of ethical behavior, communication skills and independent judgment. The Directors are also expected to abide by the respective Code of Conduct as applicable to them.

- **Independence** - A Director will be considered independent if he/she meets the criteria laid down in Section 149(6) of the Act, the Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. The Directors affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company.

The Directors affirm that the remuneration paid to Directors, KMPs and employees is as per the Remuneration Policy of the Company. The remuneration policy for directors, key managerial personnel and other employees is also available on the Company's website [www.ken-fin.com](http://www.ken-fin.com).

### **(xiii) Separate Meeting of Independent Director**

During the year, separate meeting of the Independent Directors was held on 06.02.2024 as per the requirement of the Act and SEBI LODR Regulations; 2015. The basic agenda for Independent Directors Meeting is to assess the quality, quantity and timeliness of flow of information between the Company and the Board. The primary role of Independent Directors is to ensure that the decisions taken by the Board are in the interest of all stakeholders. Independent Directors need to ensure that they do not have any conflict of interest with the decision taken by the Board.

The Independent Directors and inter alia discussed:

- the performance of Non-Independent Directors and the Board as a whole;
- the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties; and
- other matters arising out of Board / Committee(s) deliberations.

**(xiv)** In the opinion of the board, the independent directors fulfill the conditions specified in these regulations and are independent of the management.

## **3. AUDIT COMMITTEE**

### **(i) Terms of Reference**

The Audit Committee has been mandated with the terms of reference as specified in Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & enumerated in Section 177 of the Companies Act, 2013 and covers all the aspects stipulated by the Securities and Exchange Board of India Guidelines.

**(ii) Composition of the Committee:**

The Audit Committee is comprised of three Non-Executive Independent Directors. During the financial year ended March 31, 2024, four Audit Committee Meetings were held on 29-05-2023, 11-08-2023, 09-11-2023 and 06-02-2024. The composition of Audit Committee and attendance of each Director at their meetings are as follows:

Name	Designation	Category	No. of meetings attended
Mr. Manoj Kumar More	Chairman	Non-Executive Independent	4
Ms. Neha Kailash Bhageria	Member	Non-Executive Independent	4
Mr. Ritesh Kumar Pathak	Member	Non- Executive Independent	4

- (iii) **Invitee:** (being entitled to attend as per relevant provisions of applicable laws/rules and/or as and when felt necessary)
- (a) The Statutory Auditors viz. M/s. Satya Prakash Natani & Co.
- (iv) The Chairman of the Audit Committee attended the Annual General Meeting held on 15<sup>th</sup> September, 2023.
- (v) An Audit Committee meeting was held on 29<sup>th</sup> May, 2023 where the Annual Financial Statements for the year ended March 31, 2023 were reviewed and examined by the members of the Audit Committee before recommending the same to the Board of Directors for their perusal and adoption.

The Audit Committee reviewed the Quarterly / Half Yearly Un-Audited Financial Results on the following dates before recommending the same to the Board.

Financial Reporting	Date of approval
Quarter/Year ended March 31, 2023	29 <sup>th</sup> May, 2023
Quarter ended June 30, 2023	11 <sup>th</sup> August, 2023
Quarter/Half Year ended September, 30, 2023	9 <sup>th</sup> November, 2023
Quarter ended December 31, 2023	6 <sup>th</sup> February, 2024

**4. NOMINATION AND REMUNERATION COMMITTEE**

In accordance with the provisions of Section 178 of the Companies Act, 2013 and requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has proper constitution of Nomination and Remuneration Committee and terms of reference before the Committee are as under:

**(i) Terms of Reference**

- (a) The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to remuneration of the Directors, Key Managerial Personnel and other employees.
- (b) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.

**(ii) Remuneration Policy:**

The Remuneration Policy of KFSL is designed to create a high-performance culture. It enables the Company to attract, retain and motivate employees to achieve results. The detailed Remuneration Policy for Directors, KMP and other employees, in accordance with the provisions of the Act and the SEBI Listing Regulations is available on the Company's website [www.ken-fin.com](http://www.ken-fin.com)

The Company's remuneration policy aims to attract and retain talent and is in accordance with the industries practices. The policy ensures equity, fairness and consistency in rewarding the employees on the basis of performance against earmarked objectives.

The components of the total remuneration vary for different employee grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him. This policy, inter alia, provides:

- (a) The criteria for determining qualifications, positive attributes and independence of directors; and
- (b) Policy on remuneration of directors, key managerial personnel and other employees.

The policy is directed towards a compensation philosophy and structure that will reward and retain talent; and provides for a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

**(iii) Composition, Name of Members and Chairman**

The Nomination and Remuneration Committee is comprised of three Non-Executive Independent Directors. During the financial year ended March 31, 2024, two Nomination and Remuneration Meetings were held on 29-05-2023 and 11-08-2023.

The composition of the Nomination and Remuneration Committee and the attendance of each Director at their meetings are as follows:

Name	Designation	Category	No. of Meetings attended
Mr. Ritesh Kumar Pathak	Chairman	Non-Executive Independent	2
Mr. Manoj Kumar More	Member	Non-Executive Independent	2
Ms. Neha Kailash Bhageria	Member	Non-Executive Independent	2

## 5. REMUNERATION OF DIRECTORS:

- a) Pecuniary relationship or transactions of the Non-Executive Directors: The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the year 2023-24.
- b) Criteria of making payments to non-executive directors: None of the Non - Executive Directors is being paid any remuneration.
- c) Details of remuneration/sitting fees paid to Directors during the year ended March 31, 2024 and shares held by them on that date are as follows:

Name of the Directors	Remuneration	Share held
Mr. Shakti Singh Rathore	Rs. 8,057 hundreds	None
Mr. Praveen Kumar Modi	Rs. 3,600 hundreds	None

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

In accordance with the provisions of Section 178(5) of the Companies Act, 2013 and requirements of Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the terms of reference before the Stakeholders Relationship Committee of the Board are as under:

- (i) The Company has a 'Stakeholders Relationship Committee' to approve transfer and transmission of securities, issue of duplicate certificates, review of share dematerialization, monitoring the performance of company's Registrar and Transfer Agent and deals with other shareholder related issues.
- (ii) The Committee shall consider and resolve the grievances of the shareholders of the company including complaints related to transfer of shares, non-receipt of annual report and non- receipt of declared dividends.
- (iii) The Committee is chaired by Mr. Manoj Kumar More. During the financial year ended March 31, 2024, one Stakeholders Relationship Committee Meeting was held on 11-08-2023. Details of composition are as under:



Name	Designation	Category	No. of meetings attended
Mr. Manoj Kumar More	Chairman	Non-Executive Independent	1
Ms. Neha Kailash Bhageria	Member	Non-Executive Independent	1
Mr. Ritesh Kumar Pathak	Member	Non-Executive Independent	1

Mrs. Sarika Agarwal has been designated by the Board as the ‘Compliance Officer’ of the Company for complying with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchange, Mumbai.

(iv) Number of Shareholders’ complaints received during the year	:	Nil
Number not solved to the satisfaction of the Shareholders	:	Nil
Number of pending share transfers	:	Nil

## 7. GENERAL BODY MEETINGS:

### (i) Details of the last three Annual General Meetings:

AGM	Date of the meeting	Venue	Time
27 <sup>th</sup>	30-09-2021	Held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) Deemed Venue was: 101, Shah Arcade 1, A Wing, Shah Arcade SRA CHSL, Rani Sati Marg, Malad (East), Mumbai - 400 097	02:30 p.m.
28 <sup>th</sup>	30-09-2022	Held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) Deemed Venue was: 101, Shah Arcade 1, A Wing, Shah Arcade SRA CHSL, Rani Sati Marg, Malad (East), Mumbai - 400 097	05:00 p.m.
29 <sup>th</sup>	15-09-2023	Held through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) Deemed Venue was: F-9, 1 <sup>st</sup> Floor, Shah Arcade 1, Rani Sati Marg, Near W.E. Highway, Malad (East), Mumbai - 400 097	02:30 p.m.

**(ii) Special Resolution passed in previous three AGMs:**

<b>AGM Date</b>	<b>Special Resolutions passed</b>
30-09-2021	No Special Resolution was passed
30-09-2022	Appointment of Mr. Shakti Singh Rathore (holding DIN 09208373) as a Managing Director of the Company
15-09-2023	Increase in remuneration of Mr. Shakti Singh Rathore (holding DIN 09208373), Managing Director of the Company

**(iii) Postal Ballot:**

During the year 2023-24, there was no special resolution passed through postal ballot process. None of the business is proposed to be transacted through Postal Ballot.

**8. MEANS OF COMMUNICATION.**

Quarterly Results	The quarterly results as approved and taken on record by the Board of Directors of the Company generally within one and half month of the close of the relevant quarters are sent forthwith to the Stock Exchange, Mumbai and published in the proforma as prescribed in the Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
Any website where displayed	www.ken-fin.com
Whether it also displays official news release	No
Whether presentations made to institutional investors or to analyst	No request as such was received

**9. GENERAL SHAREHOLDERS INFORMATION**

(i)	Financial Year	:	1 <sup>st</sup> April to 31 <sup>st</sup> March
(ii)	Dividend Payment Date	:	N.A.
(iii)	Listing on Stock Exchanges	:	The Shares of the Company are listed at BSE Limited, Mumbai
(iv)	Listing Fees	:	The Company has paid the listing fees to BSE Limited for the financial year 2023-2024
(v)	<b><u>Stock Code</u></b> BSE	:	530547

	ISIN	:	INE395E01018																																				
(vi)	Depository Connectivity	:	National Securities Depository Ltd (NSDL) and Central Depository Services (India) Ltd (CDSL)																																				
(vii)	<p><b>Stock Market Data:</b></p> <p>After revocation of trading in securities of the Company, the trading in equity shares of the Company was started.</p> <table border="1"> <thead> <tr> <th></th> <th>High</th> <th>Low</th> <th>Close</th> </tr> </thead> <tbody> <tr> <td>August, 2023</td> <td>7.12</td> <td>7.12</td> <td>7.12</td> </tr> <tr> <td>September, 2023</td> <td>21.99</td> <td>7.47</td> <td>21.37</td> </tr> <tr> <td>October, 2023</td> <td>20.95</td> <td>14.64</td> <td>14.64</td> </tr> <tr> <td>November, 2023</td> <td>15.38</td> <td>11.84</td> <td>13.15</td> </tr> <tr> <td>December, 2023</td> <td>14.8</td> <td>12.4</td> <td>13.44</td> </tr> <tr> <td>January, 2024</td> <td>14.33</td> <td>12.17</td> <td>14.33</td> </tr> <tr> <td>February, 2024</td> <td>17.39</td> <td>12.92</td> <td>12.92</td> </tr> <tr> <td>March, 2024</td> <td>13.15</td> <td>12</td> <td>12.7</td> </tr> </tbody> </table>				High	Low	Close	August, 2023	7.12	7.12	7.12	September, 2023	21.99	7.47	21.37	October, 2023	20.95	14.64	14.64	November, 2023	15.38	11.84	13.15	December, 2023	14.8	12.4	13.44	January, 2024	14.33	12.17	14.33	February, 2024	17.39	12.92	12.92	March, 2024	13.15	12	12.7
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(viii)	<p>Performance of the share price of the Company in comparison to the BSE Sensex:</p>																																						
(ix)	<p><b>Registrar &amp; Transfer Agents:</b></p> <p>The Company has appointed M/s. Purva Sharegistry (India) Private Limited as a common agency for share registry work (both physical &amp; electronic) for all matters connected with transfers and transmission of shares and also dematerialization of shares and other related functions.</p> <p><b>M/s. Purva Sharegistry (India) Private Limited</b>  Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Boricha Marg,  Lower Parel, Mumbai - 400 011.</p>																																						

(x)	<p><b>Share Transfer System:</b> With a view to expedite the process of share transfers, the Board of Directors has delegated the power of share transfer to Stakeholders Relationship Committee of the Board. The shares for transfer received in physical mode by the Company, are transferred expeditiously and thereafter, option letter is sent to the transferee(s) for dematerialization, Confirmation in respect of the request for dematerialization of shares is sent to the respective depositories, i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited within 7 days..</p>
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(xi) **DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2024**

(a) **According to Category holdings**

Category	No. of Shareholders	% of total Shareholders	No. of Shares	% of shareholding
Promoters	1	0.12	41900	1.40
Individuals	742	91.83	2180942	72.70
Corporate Bodies	19	2.35	433107	14.44
NRI / OCB	3	0.37	3058	0.10
Clearing Members	3	0.37	183361	6.11
HUF	40	4.95	157732	5.25
<b>Total</b>	<b>808</b>	<b>100.00</b>	<b>3000100</b>	<b>100.00</b>

(b) **According to Number of Equity Shares**

Nominal Value of Equity Shares held	No. of shareholders	% of total shareholders	No. of shares	% of shareholding
Upto 5000	522	64.60	81624	2.72
5001 to 10000	78	9.65	65990	2.20
10001 to 20000	53	6.56	80024	2.67
20001 to 30000	20	2.48	49170	1.64
30001 to 40000	25	3.09	89981	3.00
40001 to 50000	21	2.60	101282	3.38
50001 to 100000	31	3.84	233955	7.80
Above - 100000	58	7.18	2298074	76.60
<b>Total</b>	<b>808</b>	<b>100.00</b>	<b>3000100</b>	<b>100.00</b>

(xii)	Dematerialization of Shareholding and liquidity	99.38% Company Equity Share's dematerialized as on 31-03-2024
(xiii)	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	Not applicable
(xiv)	Plant Locations	The Company is not engaged in any manufacturing activities hence do not have any plant.

(xv)	Address for Correspondence	The shareholders may address their communications/ suggestions/ queries/ grievances to our share transfer agent: <b>Purva Shareregistry (India) Pvt. Ltd.</b> Unit no. 9, Shiv Shakti Industrial Estate, Gr. Floor, J. R. Boricha Marg, Lower Parel, Mumbai – 400 011.
(xvi)	Credit Rating	Nil

## 10. DISCLOSURES:

Disclosure on materially significant related party transactions i.e. transactions of the Company of Material nature, with its Promoters, the Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large	There are no materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, directors or the management or relatives etc. during the year, that may have potential conflict with the interests of the Company at large.
Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or Securities and Exchange Board of India or any Statutory Authority or any matter related to Capital Market during last three years.	NA
Details of establishment of vigil mechanism / whistle blower policy	Pursuant to sub-section (9) & (10) of Section 177 of the Companies Act, 2013, read with rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Company has established a Whistle Blower Policy (Vigil Mechanism) for employees of the Company to report their genuine concerns or grievances. The policy may be referred to on the website of Company <a href="http://www.ken-fin.com">www.ken-fin.com</a>
Details of compliance with mandatory requirements and adoption of non-mandatory requirements	The Company has complied with all mandatory requirements of Regulation 27 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 The Details of these compliances along with the non-mandatory requirements adopted by the Company have been given in the relevant section of this report.
Material Subsidiary	The Company has no material subsidiary

Web link for policy on dealing with related party transactions	In line with requirement of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available at Company's website under the weblink: <a href="http://www.ken-fin.com">www.ken-fin.com</a>
Code of Conduct for the members of the Board and Senior Management Team	The Board of Directors is responsible for ensuring that rules are in place to avoid conflict of interest by the Board Members and the Management Committee. The Board has adopted the Code of Conduct for the members of the Board and Senior Management Team and the same is available on Company's website at <a href="http://www.ken-fin.com">www.ken-fin.com</a>
Commodity Price risk or foreign exchange risk and hedging activities	The Company did not engage in commodity & hedging activities.
Utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)	The Company has not raised funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)
Certificate regarding no-disqualification of Directors	A certificate from M/s. Abhilasha Chaudhary & Associates, Practicing Company Secretary, Mumbai has been obtained stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority. The Certificate is annexed to this Report on Corporate Governance.
Fees paid to Statutory Auditors	Total fees of Rs. 40,000/- (Rupees Forty Thousand only) for the year 2023-24, for all the services was paid by the Company to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.
Criteria for making payments to Non-Executive Directors	The Independent Directors are not paid any remuneration other than the sitting fee for attending meetings of the Board and the Committees thereof as approved by the Board.

	There was no pecuniary relationship or transaction between the Non-executive Directors and the Company during the year.
Prohibition of Insider Trading	In compliance with the provisions of Regulation 9 of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company had adopted a Code of Conduct for Prohibition of Insider Trading and the same is available on Company's website.
Information on Deviation from Accounting Standards, if any	No deviations from Indian Accounting Standards (Ind AS) in preparation of annual accounts for the Financial Year 2023-24
Policy for Determination of Material Subsidiary and Governance of Subsidiaries	In terms of the provisions of the SEBI Listing Regulations, your Company has a Policy for Determination of Material Subsidiary and Governance of Subsidiaries and the same is available on Company's website.

**11. DISCLOSURES IN RELATION TO THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

- (a). number of complaints filed during the financial year : Nil  
 (b). number of complaints disposed of during the financial year : Nil  
 (c). number of complaints pending as on end of the financial year : Nil

**12. DISCRETIONARY REQUIREMENTS AS SPECIFIED IN PART E OF SCHEDULE II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

The Company has adopted following non-mandatory requirements of Regulation 27 and Part E of Schedule II of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015:

- a) Reporting of Internal Auditor – The Internal Auditor directly reports to the Audit Committee.

**13. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE:**

The Company has complied with the Regulations 17 to 27 and Clauses (b) to (i) sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 during the year 2023-24, wherever applicable.

**14. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/  
UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any of its securities lying in demat/unclaimed suspense account arising out of public/ bonus/ right issues as at 31<sup>st</sup> March, 2024. Hence, the particulars relating to aggregate number of shareholders and the outstanding securities in suspense account and other related matters does not arise.

**DECLARATION – CODE OF CONDUCT**

I, Shakti Singh Rathore, Managing Director of the Company, do hereby declare that all the Board members and Senior management personnel of the Company have affirmed their compliance on an annual basis with the Code of Conduct as laid down by the Company pursuant to requirements of para D of Schedule V of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015.

**Place: Mumbai**  
**Dated: July 25, 2024**

Sd/-  
**Shakti Singh Rathore**  
**Managing Director**  
**DIN: 09208373**



**CHIEF FINANCIAL OFFICER CERTIFICATE**

*[Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.]*

I, Mr. Praveen Kumar Modi, Chief Financial Officer of the Company to the best of my knowledge and belief, certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and hereby certify and confirm to the best of my knowledge and belief the following:
- (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 my knowledge and belief, no transactions entered into by the Company during the financial year ended March 31, 2024 which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I have reviewed the internal controls and procedures, and to the best of my knowledge and information, I affirm that the Company has adequate internal controls and procedures.
- (d) I have indicated to the auditors and the Audit Committee that:
- (i) There have not been any significant changes in internal control over financial reporting during the financial year ended March 31, 2024;
  - (ii) There have not been significant changes in the accounting policies during the financial year ended March 31, 2024;
  - (iii) I have not become aware of any significant fraud or involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

**Place: Mumbai**  
**Dated: July 25, 2024**

Sd/-  
**Praveen Kumar Modi**  
**Chief Financial Officer**



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
 (Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

The Members,  
 M/s Ken Financial Services Limited,  
 F-9, 1<sup>st</sup> Floor, Shah Arcade 1, Rani Sati Marg,  
 Near W. E. Highway, Malad (East) Mumbai-400 097

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s Ken Financial Services Limited, having (CIN- L65990MH1994PLC078898) and having Registered office at F-9, 1<sup>st</sup> Floor, Shah Arcade 1 Rani Sati Marg, Near W.E. Highway, Malad (East) Rani Sati Marg Malad East Mumbai MH 400097 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of directors	DIN	Date of Appointment	Status of Director
1	Manoj Kumar More	00040190	02/12/2004	Active
2	Shaktisingh Sumersingh Rathore	09208373	13/11/2021	Active
3	Neha Kailash Bhageria	09217784	30/06/2021	Active
4	Praveen Kumar Modi	08428737	30/08/2022	Active
5	Ritesh Kumar Pathak	09517090	14/03/2023	Active

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Abhilasha Chaudhary & Associates  
 Practicing Company Secretary

Sd/-  
 Abhilasha Chaudhary, Proprietor  
 Mem. No.: ACS 62496  
 COP No.: 23604

Place: Mumbai  
 Date: 25/07/2024

UDIN: A062496F000823641



## **MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)**

### **Overall Review**

Ken Finance Service Limited ('KFSL' or 'the Company') is a non-systemically important non-deposit taking non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI) since March 24, 1998, with registration number 13.00423 and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22 February 2019. The Company is mainly engaged in the business of financing. The Company has a diversified lending portfolio across retail, SMEs and commercial customers with significant presence in urban and rural India..

NBFC's plays a vital role in the Indian financial market, providing a range of financial services. The NBFC Sector in India has experienced significant growth in recent years, with a compound annual growth rate (CAGR) of 19.3% from FY 2014 to FY2019. It is projected to continue growing at 18% between FY 2020-2024, showing its importance in Indian economy. However, the NBFC industry has faced the challenges in recent years due to regulatory changes, such as liquidity crisis in 2018 and the introduction of stricter regulations by the RBI. These changes have affected the growth and profitability of NBFCs, making it crucial for investors to carefully, analyze and choose their investments in this sector.

### **Industry Structure and Development**

The NBFC sector in India has witnessed remarkable transformations since its emergence, with segments such as housing finance, microfinance and consumer finance contributing to its expansion. This growth is driven by various factors, such as a rising middle class, enhanced financial inclusion and positive policy interventions. Additionally, the sector has benefited from a favorable regulatory framework and a stable macroeconomic scenario. The sector has also shown resilience in terms of sound capital position, improved asset quality, adequate provisioning and higher profitability. Furthermore, the sector has leveraged digitisation to offer alternative financing options, especially to the MSMEs, which face challenges in obtaining loans from traditional banks. With the growth witnessed in the NBFC sector and India reaching an estimate of USD7 trillion GDP by 2030, India's financial need will rise, creating ample opportunities for NBFCs.

Digitisation has been a game-changer for the Non-Banking Financial Company (NBFC) sector, enabling faster and more efficient processes, as well as a superior customer experience. NBFCs are increasingly focusing on digitisation as a key differentiator, with a particular emphasis on the use of super apps to source and partner with customers. This trend is set to continue, as the demand for digital services continues to grow. The role of technology, data and analytics across the value chain is also set to increase, with a particular emphasis on credit and underwriting, collections, fraud management and cyber and data security/privacy. The use of scorecards powered by traditional and new age data sources is becoming increasingly popular, as NBFCs seek to improve their credit assessment capabilities. Digital collections and the role of data and analytics are also set to increase, as NBFCs seek to improve their collections efficiency.

Another area of focus for NBFCs is the lending model, with a particular emphasis on First Loss Default Guarantee (FLDG) and co-lending models. The guidelines for FLDG have been a major catalyst for growth in this segment, while colending requires further initiatives to scale up this model. Green and sustainable financing is also emerging as a sunrise sector, with NBFCs playing a key role in financing projects that promote environmental sustainability.

Nonetheless, the NBFC sector faces significant challenges, especially from the banking industry. Banks targeting the same customer base as NBFCs will require scale, resulting in intensified competition in the sector. NBFCs will have to explore securitisation, co-origination and colending to sustain their competitiveness in this scenario. It investigates the impact of technology, data and analytics throughout the value chain of NBFCs. It analyses the emergence of super apps, the potential of digital sourcing and partnerships and the application of data-driven scorecards for credit and underwriting. Moreover, it emphasises the significance of digital tools in collections, fraud management and cyber and data security. Finally, it unfolds the challenge posed by the banking industry and the strategies that NBFCs can adopt to thrive in this competitive scenario.

### **Opportunities and Threats**

There are lot of opportunities and wide range of financial services offered by NBFCs which includes:

- Personal loans
- Leasing and hire-purchase services
- Investment and asset management services
- Home loans
- Credit card services
- Vehicle loans
- Microfinance
- Insurance services
- Gold loans

Further Government of India has exempted NBFCs from the hard rules and regulations which are mandatory for the traditional banks, keeping in mind the financial needs of the people. NBFCs get to enjoy flexibility in the rules for paperwork and other restrictions due to which many entrepreneurs put their interest in these financial institutions. Government of India has provided many opportunities for the establishment of NBFCs in the Indian market. The NBFCs are eligible for a foreign investment of up to 100%.

NBFCs are contributing to India's GDP by facilitating credit access, supporting investment, and contributing to various sectors. The diverse range of services offered by NBFCs have contributed to the overall growth and resilience of the Indian economy. This is why the Indian Government has taken many initiatives to protect the interests of NBFCs and help them to emerge. NBFCs are in the business of profit. The contributions made by the NBFCs in the growth of the Indian economy highlights how well NBFCs have been functioning.

Asset Quality and Credit Risk: NBFCs face challenges related to asset quality and credit risk, especially during economic downturns or in sectors prone to volatility. Poor risk management practices can lead to asset quality deterioration and increase the likelihood of defaults.

### **Segment-wise/Product-wise Performance**

The Company is engaged mainly in business of financing and as such there are no other reportable segment. The revenue for the year was Rs. 58,007 hundreds in comparison to Rs. 7,74,184 hundreds during the previous year.

## **Outlook**

The conditions most likely to play out over the next few months—the combination of high interest rates, greater regulatory pressure, and potentially moderating, but still troubling, inflation—are trends many senior financial services industry (FSI) leaders have seen before. But many of their employees, especially those from younger generations, haven't, so leaders will need to help their people navigate through uncertainty and near-term challenges and find opportunities.

They'll also need to focus on what's coming next. In 2024, the technological turbulence—including generative AI, transition to the cloud, increased fraud and cyber risk, and blurring of industry lines, such as the embedded finance trend—will require financial services leaders to be much more agile than ever. New strategic options will need to be created to help firms tack in the direction of the prevailing breeze, wherever it's coming from.

History shows the financial services industry has frequently been a catalyst for progress, helping organizations and people manage economic and societal changes. By decade's end, FSI leaders may look back at 2024 as the year the future started to unfold, in real terms.

## **Risk and Concern**

It is essential to correctly assess the risk in each segment so that the risk is mitigated before it becomes a possible threat. General risk segments are statutory compliances, economy, financials, Government policies, market related, operational, products & technology etc.,

The management has a rapid review of likely risk areas with the objective to define a framework for identification, evaluating and mitigating the risk in the decision-making process and to encourage proactive management and not reactive management. From the perspective of the company the risks are of the following nature:

### **Strategic risk**

Those risks associated with operating in a particular industry and includes risk arising from demand changes, changes in customers choice and industry changes. These risks pose threats or opportunities which materially affect the ability of the organization to survive.

### **Compliance risk**

Those risks associated with the need to comply with laws and regulations. They also apply to the need to act in a manner which stakeholders and customers expect.

### **Operational risk**

Those associated with the company's operational and administrative procedures which inter alia include accounting controls, regulations, recruitment, I.T systems, board composition, contractual risks and exposures, organizational risks and exposures.

### Financial risk

Those associated with financial structure of the company, its transactions and the financial system in place.

### Environmental risk

Those associated with release of polluting materials, environmental performance/compliance limits, business opportunities and breach of regulations.

### **Internal Control System**

KFSL's has in place adequate system of internal control. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or assets, compliance with regulations and for ensuring reliability of financial reporting.

The company had continued its efforts to align all its processes and controls with best practices in these areas as well.

### **Financial Performance w.r.t. Operational Performance**

During the year under review, the Company has earned Total Income of Rs. 58,007 hundreds in comparison to Rs.7,90,297 hundreds during the previous year. The total expenses have been reduced from Rs. 6,91,331 hundreds to Rs. 46,544 hundreds. The Net Profit after tax is Rs. 7,682 hundreds in comparison with Rs. 61,758 hundreds during the previous year. Your directors are of the opinion of performing better in forthcoming FY 2024-2025.

### **Safety, Health and Environment**

Your Company as a matter of policy gives greater importance to safety, health and environment and also ensures compliance with applicable legislative requirements.

### **Human Resources**

The Company firmly believes that Human Capital is its most important asset. A series of engagement interventions across identified key themes were undertaken to increase employee morale and the initiatives focused on key aspects such as physical and mental wellness, celebrations, continuing with its journey of "Happiness at the workplace".

### **Key Financial Ratios:**

In accordance with the SEBI (Listing Obligations and disclosures Requirements) Regulations 2018 (Amendment) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in Key sector-specific financial ratios.

<b>Particulars</b>	<b>F.Y. 2023-24</b>	<b>F.Y. 2022-23</b>
Debt equity Ratio <sup>1</sup>	0.30 Times	0.31 Times
Net Profit Margin (%) <sup>2</sup>	13.24 %	7.81%
Return on Networth (%) <sup>3</sup>	1.07%	8.75%

<sup>1</sup>Debt Equity ratio has not changed.

<sup>2</sup>Net Profit Margin has increased as a result of improved business structure of the Company.

<sup>3</sup>Return on Networth decreased as a result of decreased in business without increase in capital investment.

### **Cautionary Statement**

The report contains forward looking statements describing expectations, estimates, plans or words with similar meaning. Your Company's actual result may differ from those projected depending on various factor. Your Company cannot guarantee that the assumptions and estimates in the forward-looking statements are accurate or will be realized.

## Independent Auditors' Report

To the Members of  
**Ken Financial Services Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying financial statements of **Ken Financial Services Limited** (the 'Company'), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as the 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

#### Basis of Opinion

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

#### Key Audit Matters

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



**Information other than the financial statements and Auditors' report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the company's annual report but does not include the financial statements, and our auditors' report thereon. The Director's report is expected to be made available to us after the date of this Auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Management's and Board of Directors' Responsibilities for the financial statements**

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

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

The Board of Directors of the Company is also responsible for overseeing the Company's financial reporting process.

**Auditors' responsibility for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

#### **Report on other legal and regulatory requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on basis of such checks of books and records of the company as we considered appropriate and according the information and explanations given to us, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and and the statement of Cash Flows 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 Ind AS specified under Section 133 of the Act.

- (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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 operating effectiveness of such controls, refer to our separate report in **Annexure "B"**.
- (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.
  - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
  - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and

- (c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.
- vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- (h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For and on behalf of  
**Satya Prakash Natani & Co.**  
**Chartered Accountants**  
Firm's Registration No.: 115438W

Mumbai  
May 30, 2024

**Satya Prakash Natani**  
**Partner**  
Membership No.: 048091  
UDIN: 24048091BKAPVZ1528

**KEN FINANCIAL SERVICES LIMITED****#ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements' section of our report of even date to the members of Ken Financial Services Limited on the financial statements as at and for the year ended March 31, 2024)

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
  - (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not own any intangible assets during the year.
- (b) As explained to us, all the property, plant and equipment have been physically verified by the management during the period at reasonable interval and no material discrepancies were noticed on such physical verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not own any immovable property during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) According to the information and explanation given to us, the Company is a Non-Banking Finance Company engaged in the Business of Financial Activities. Consequently, it does not hold any Physical Inventory. Accordingly, the provisions of the Clause 3(ii)(a) of the Order are not applicable to the Company.

- (b) The Company has not been sanctioned any working capital limits during the year by any banks or financial institutions. Consequently comment under this clause of the order is not applicable.
- (iii)
  - (a) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (a) of the Order is not applicable to the Company.
  - (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
  - (c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
  - (e) The principal business of the Company is to give loans, hence the requirement to report on clause 3(iii) (e) of the Order is not applicable to the company.
  - (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment..
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013.
- (v) In our opinion and according to the information and explanations given to us, the Company being NBFC registered with RBI, provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, are not applicable to the Company. We are informed by the Management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- (vi) 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 for the products manufactured by it (and/or services provided by it). Accordingly, clause 3(vi) of the Order is not applicable.

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues wherever applicable have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not raised any term loan during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been utilised for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as



- defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) According to the information and explanations given to us, the Company has not received any whistle blower complaint during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

- (xv) According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transaction with its directors or persons connected with its directors and hence reporting requirement under Clause 3 (xv) of the Order are not applicable to the Company.
- (xvi)
  - (a) The Company is a Non-Banking Finance Company and is required to obtain Registration under section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained.
  - (b) The Company has a valid Certificate of Registration (CoR) from the Reserve Bank of India (RBI) for conducting Non-Banking Financial activities and no business has been conducted by the Company without a valid CoR.
  - (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting requirements under clause 3 (xvi)(c) of the Order is not applicable.
  - (d) As per the information and explanations given to us, there are no core investment companies as defined in the regulations made by the Reserve Bank of India as part of its group and hence the reporting requirements under clause 3 (xvi)(d) of the Order are not applicable.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall dues.

- (xx) In our opinion and according to the information and explanations given to us, provisions of section 135 of the Companies Act, 2013 are not applicable for the year under report. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For and on behalf of  
**Satya Prakash Natani & Co.**  
**Chartered Accountants**  
Firm's Registration No.: 115438W

Mumbai  
May 30, 2024

**Satya Prakash Natani**  
**Partner**  
Membership No.: 048091  
UDIN: 24048091BKAPVZ1528

**KEN FINANCIAL SERVICES LIMITED****ANNEXURE “B” TO THE INDEPENDENT AUDITORS’ REPORT**

[Referred to in paragraph 2(f) under ‘Report on other legal and regulatory requirements’ section of our report of even date]

**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 with reference to financial statements of Ken Financial Services Limited (the 'Company') as of March 31, 2024 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 with reference to financial statements 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 (the 'Guidance Note'). 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 with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the Institute of Chartered Accountants of India ('ICAI') and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements 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 with reference to financial statements and their operating

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

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

### **Meaning of internal financial controls with reference to financial statements**

A Company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to

financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial controls with reference to financial statements established by the respective Company considering the essential components of internal control stated in the Guidance Note.

For and on behalf of  
**Satya Prakash Natani & Co.**  
**Chartered Accountants**  
Firm's Registration No.: 115438W

Mumbai  
May 30, 2024

**Satya Prakash Natani**  
**Partner**  
Membership No.: 048091  
UDIN: 24048091BKAPVZ1528

**Ken Financial Services Limited**

Balance Sheet as at March 31, 2024

(₹ in '00)

Particulars	Note No.	As at March 31,	
		2024	2023
<b>ASSETS</b>			
<b>Financial Assets</b>			
Cash and cash equivalents	2	4,599.55	15,522.12
Trade receivable	3	261.60	54,261.60
Loans	4	793,772.06	723,089.14
Investments	5	10,688.34	4,677.56
Other financial assets	6	1,750.00	3,500.00
<b>Non-Financial Assets</b>			
Property, plant and equipment	7	122.36	1,943.49
Other non-financial assets	8	140,648.95	140,875.40
<b>Total Assets</b>		<b>951,842.86</b>	<b>943,869.31</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
<b>Financial Liabilities</b>			
Payables			
<b>Trade Payables</b>			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	9	11,481.47	13,775.99
<b>Other Payables</b>			
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
Borrowings (Other than debt securities)	10	216,200.00	220,316.31
<b>Non-Financial Liabilities</b>			
Provisions	11	3,186.29	2,892.36
Deferred tax liabilities (Net)	12	1,659.68	1,031.25
Other non-financial liabilities	13	696.00	239.61
<b>Equity</b>			
Equity share capital	14	300,010.00	300,010.00
Other equity	15	418,609.41	405,603.80
<b>Total Liabilities and Equity</b>		<b>951,842.86</b>	<b>943,869.31</b>

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Satya Prakash Natani & Co.**  
**Chartered Accountants**  
Firm registration number: 115438W

For and on behalf of the Board of Directors of  
**Ken Financial Services Limited**  
CIN: L65990MH1994PLC078898

Sd/-  
**Satya Prakash Natani**  
**Partner**  
Membership number: 048091

Sd/-  
**Shakti Singh Rathore**  
**Managing Director**  
DIN: 09208373

Sd/-  
**Praveen Modi**  
**Director & CFO**  
DIN: 08428737

Mumbai  
May 30, 2024

Sd/-  
**Sarika Agarwal**  
**Company Secretary**

**Ken Financial Services Limited****Statement of Profit and Loss for the year ended March 31, 2024**

Particulars	Note No.	(₹ in '00, except EPS)	
		For the year ended March 31,	
		2024	2023
<b>Revenue From Operations</b>			
Interest income	16	58,007.45	173,344.20
Sale of services	17	-	600,840.00
<b>Total Revenue From Operations</b>		58,007.45	774,184.20
Other income	18	-	16,112.51
<b>Total Income</b>		<b>58,007.45</b>	<b>790,296.71</b>
<b>Expenses</b>			
Finance costs	19	18,000.00	61,118.06
Employee benefits expenses	20	14,307.00	13,091.44
Depreciation, amortization and impairment	21	22.64	36.36
Others expenses	22	14,214.54	617,085.19
<b>Total Expenses</b>		<b>46,544.18</b>	<b>691,331.05</b>
<b>Profit before tax</b>		<b>11,463.27</b>	<b>98,965.66</b>
<b>Tax Expense</b>	24		
Current tax		3,840.00	33,090.00
Tax for earlier years		-	5,956.83
Deferred tax (credit)/charge		(59.20)	(1,839.25)
<b>Total tax expense</b>		<b>3,780.80</b>	<b>37,207.58</b>
<b>Profit after tax</b>		<b>7,682.47</b>	<b>61,758.08</b>
<b>Other comprehensive income (OCI)</b>			
Items that will not be reclassified to profit or loss			
Changes in fair value of fair value through OCI (FVOCI) equity instruments	25	6,010.78	(6,185.33)
Tax impact on above		(687.63)	707.60
<b>Total other comprehensive income for the year (net of tax)</b>		<b>5,323.15</b>	<b>(5,477.73)</b>
<b>Total comprehensive income for the year</b>		<b>13,005.62</b>	<b>56,280.35</b>
<b>Earnings per share:</b>	23		
(Nominal value per share ₹ 10)			
Basic (₹)		0.26	2.06
Diluted (₹)		0.26	2.06

Summary of significant accounting policies

1

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Satya Prakash Natani & Co.**  
**Chartered Accountants**  
 Firm registration number: 115438W

For and on behalf of the Board of Directors of  
**Ken Financial Services Limited**  
 CIN: L65990MH1994PLC078898

Sd/-  
**Satya Prakash Natani**  
**Partner**  
 Membership number: 048091

Sd/-  
**Shakti Singh Rathore**  
**Managing Director**  
 DIN: 09208373

Sd/-  
**Praveen Modi**  
**Director & CFO**  
 DIN: 08428737

Mumbai  
 May 30, 2024

Sd/-  
**Sarika Agarwal**  
**Company Secretary**



**Ken Financial Services Ltd****Cash Flows Statement for the year ended March 31, 2024**

Particular	(₹ in '00)	
	For the year ended March 31,	
	2024	2023
<b>(I) Operating activities</b>		
Profit before tax	11,463.27	98,965.66
Adjustments for:		
Depreciation and amortisation	22.64	36.36
Interest Income on Term Deposit	-	(1,634.77)
Loss on sale of property, plant & equipment (net)	1,943.49	-
Provision on standard assets	293.93	(7,450.57)
<b>Cash generated from operation before working capital changes</b>	<b>13,723.33</b>	<b>89,916.68</b>
<b>Working capital changes</b>		
(Increase)/decrease in trade receivables	54,000.00	(53,321.60)
(Increase)/decrease in loans & advances	(70,682.92)	1,862,643.36
(Increase)/decrease in other financial assets	1,750.00	-
(Increase)/decrease in other non-financial assets	226.45	37,298.80
Increase/(decrease) in trade payables	(2,294.52)	(129,807.76)
Increase/(decrease) in other non-financial liabilities	456.39	(11,307.48)
	(2,821.27)	1,795,422.01
Income tax paid	3,840.00	39,046.83
<b>Net cash generated from/(used in) operating activities (I)</b>	<b>(6,661.27)</b>	<b>1,756,375.18</b>
<b>(II) Investing activities</b>		
Interest Income on Term Deposit	-	1,634.77
Assets Purchase	(145.00)	-
<b>Net cash generated from/(used in) investing activities (II)</b>	<b>(145.00)</b>	<b>1,634.77</b>
<b>(III) Financing activities</b>		
Proceeding/(Repayment) of borrowings	(4,116.31)	(1,757,436.85)
<b>Net cash generated from/(used in) financing activities (III)</b>	<b>(4,116.31)</b>	<b>(1,757,436.85)</b>
<b>Net increase / (decrease) in cash and cash equivalents (I+II+III)</b>	<b>(10,922.58)</b>	<b>573.10</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>15,522.12</b>	<b>14,949.03</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>4,599.55</b>	<b>15,522.12</b>

• The above Statement of Cash Flows has been prepared under the indirect method as set out in Ind AS 7 'Statement of Cash Flows'.

• Components of cash and cash equivalents are disclosed in note no. 2.

As per our report of even date  
**For Satya Prakash Natani & Co.**  
**Chartered Accountants**  
 Firm registration number: 115438W

For and on behalf of the Board of Directors of  
**Ken Financial Services Limited**  
 CIN: L65990MH1994PLC078898

Sd/-  
**Satya Prakash Natani**  
**Partner**  
 Membership number: 048091

Sd/-  
**Shakti Singh Rathore**  
**Managing Director**  
 DIN: 09208373

Sd/-  
**Praveen Modi**  
**Director & CFO**  
 DIN: 08428737

Mumbai  
 May 30, 2024

Sd/-  
**Sarika Agarwal**  
**Company Secretary**

**Ken Financial Services Limited****Statement of Changes in Equity for the year ended March 31, 2024**

(₹ in '00)

**Equity Share Capital**

Particulars	For the year ended March 31,	
	2024	2023
Balance at the beginning of the year	300,010.00	300,010.00
Changes in Equity Share Capital due to prior period errors	-	-
<b>Restated balance at the beginning of the year</b>	<b>300,010.00</b>	<b>300,010.00</b>
Changes in equity share capital during the year	-	-
<b>Balance at the end of the year</b>	<b>300,010.00</b>	<b>300,010.00</b>

**Other equity**

Note No.	Particulars	Reserves and surplus		Total other equity
		Retained Earnings	Equity Instruments through OCI	
15	<b>Balance as at April 1, 2023</b>	405,070.91	532.88	<b>405,603.80</b>
	Changes in accounting policy or prior period errors	-	-	-
	<b>Restated balance as at April 1, 2023</b>	<b>405,070.91</b>	<b>532.88</b>	<b>405,603.80</b>
	Profit after tax	7,682.47	-	<b>7,682.47</b>
	Other comprehensive income for the year (net of tax)	-	5,323.15	<b>5,323.15</b>
	<b>Balance as at March 31, 2024</b>	<b>412,753.38</b>	<b>5,856.03</b>	<b>418,609.41</b>
	<b>Balance as at April 1, 2022</b>	343,312.83	6,010.61	<b>349,323.44</b>
	Changes in accounting policy or prior period errors	-	-	-
	<b>Restated balance as at April 1, 2022</b>	<b>343,312.83</b>	<b>6,010.61</b>	<b>349,323.44</b>
	Profit after tax	61,758.08	-	<b>61,758.08</b>
	Other comprehensive income for the year (net of tax)	-	(5,477.73)	<b>(5,477.73)</b>
	<b>Balance as at March 31, 2023</b>	<b>405,070.91</b>	<b>532.88</b>	<b>405,603.80</b>

The accompanying notes are an integral part of the financial statements

As per our report of even date  
**For Satya Prakash Natani & Co.**

**Chartered Accountants**

Firm registration number: 115438W

For and on behalf of the Board of Directors of

**Ken Financial Services Limited**

CIN: L65990MH1994PLC078898

Sd/-

**Satya Prakash Natani****Partner**

Membership number: 048091

Sd/-

**Shakti Singh Rathore****Managing Director**

DIN: 09208373

Sd/-

**Praveen Modi****Director & CFO**

DIN: 08428737

Mumbai

May 30, 2024

Sd/-

**Sarika Agarwal****Company Secretary**

**Notes to financial statements for the year ended March 31, 2024****Note No.: 1****A. Company Overview:-**

Ken Financial Services Limited ('the Company', 'KFSL') (Corporate ID No.: L65990MH1994PLC078898) is a company limited by shares, incorporated on June 10, 1994 and domiciled in India. The shares of the Company are listed on the Bombay Stock Exchange (BSE), India. The Company is mainly engaged in the business of financing. The Company has its registered office at F-9, 1<sup>st</sup> Floor, Shah Arcade 1, Rani Sati Marg, Near W. E. Highway, Malad (East), Mumbai - 400 097.

The Company is a non-systemically important non-deposit taking non-banking financial company (NBFC) registered with the Reserve Bank of India (RBI) since March 24, 1998, with registration number 13.00423 and classified as NBFC-Investment and Credit Company (NBFC-ICC) pursuant to circular DNBR (PD) CC.No.097/03.10.001/2018-19 dated 22 February 2019.

Financial statements were subject to review and recommendation of Audit Committee and approval of Board of Directors. On May 30, 2024, Board of Directors of the Company approved and recommended the financial statements for consideration and adoption by the shareholders in its Annual General Meeting.

**B. Basis of Preparation:**

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed in the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and notified under section 133 of the Companies Act, 2013 (the Act) along with other relevant provisions of the Act, the Master Direction - Non-Banking Financial Company – Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016 ('the NBFC Master Directions'), notification for Implementation of Indian Accounting Standards issued by RBI vide circular RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13 March 2020 ('RBI notification for Implementation of Ind AS') and other applicable RBI circulars/notifications. The Company uses accrual basis of accounting.

The financial statements are presented in Indian Rupee (₹), which is also the functional currency of the Company, in denomination of hundred as permitted by Schedule III to the Act. The financial statements have been prepared on a historical cost basis, except for certain financial instruments that are measured at fair value.

The financial statements are prepared on a going concern basis as the Management is satisfied that the Company shall be able to continue its business for the foreseeable future and no material uncertainty exists that may cast significant doubt on the going concern assumption.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**B.1 Presentation of financial statements**

The Company prepares and present its Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity in the format prescribed by Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 'Statement of Cash Flows'.

The Company generally reports financial assets and financial liabilities on a gross basis in the Balance Sheet. They are offset and reported net only where Ind AS specifically permits the same or it has an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event. Similarly, the Company offsets incomes and expenses and reports the same on a net basis where permitted by Ind AS.

**C. Critical Accounting Estimates and Judgments**

The preparation of financial statements in accordance with Ind AS requires management to make certain judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates, with the differences between the same being recognized in the period in which the results are known or materialize. Continuous valuation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognised prospectively.

Information about areas involving a higher degree of judgment or complexity or critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities are included in the following notes:

- (a) Estimation of useful life – Note on Property, Plant and Equipment
- (b) Recognition of deferred tax assets – Note on Deferred Tax

**D. Summary of significant accounting policies:**

The principal accounting policies adopted in the preparation of the financial statements are set out below. The policies have been consistently applied to all years presented, unless otherwise stated. The presentation of financial statements requires the use of certain accounting estimates. The areas where significant judgments and estimates have been made in preparing the financial statements and their effects are disclosed.

**1. Leases****Policy Applicable from April 1, 2019**

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand -alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an

estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in -substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re -measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

## **2. Property Plant & Equipment:**

### **(a) Initial Measurement & Recognition**

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of an item of Property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the assets to its working condition for its intended use with any trade discounts or rebates being deducted in arriving at purchase price. Cost of the assets also includes interest on borrowings attributable to acquisition, if any, of qualifying fixed assets incurred up to the date the asset is ready for its intended use.

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

Cost of Property, plant and equipment not ready for intended use as on the balance sheet date, is disclosed as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each balance sheet date are disclosed as Capital Advances under Other non-current Assets.

Any gain or loss on disposal of an item of property plant and equipment is recognized in statement of profit and loss.

**(b) Subsequent expenditure**

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred.

**(c) Depreciation:**

Depreciation is provided on the straight-line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013. Depreciation on assets added/disposed off during the year is provided on pro-rata basis from the date of addition or up to the date of disposal, as applicable.

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

**3. Inventories**

Inventories, if any, are valued at the lower of cost and net realizable value. Cost is computed on a weighted average basis. Cost of finished goods and work-in-progress include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. The net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and estimated costs necessary to make the sale.

**4. Cash and Cash Equivalents**

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**5. Financial Instruments:**

**(A) Financial Assets**

**Recognition and measurement**

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instrument. On initial recognition, a financial asset is recognised at fair value, in case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost are recognised in the statement

of profit and loss. In other cases, the transaction cost are attributed to the acquisition value of the financial asset.

Financial assets are subsequently classified as measured at

- amortised cost
- fair value through profit and loss (FVTPL)
- fair value through other comprehensive income (FVOCI)

**(a) Measured at amortised cost:** Financial assets that are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest, are subsequently measured at amortised cost using the effective interest rate ('EIR') method less impairment, if any. The amortisation of EIR and loss arising from impairment, if any, is recognised in the Statement of Profit and Loss.

**(b) Measured at fair value through other comprehensive income:** Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognised in the Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognised in OCI is reclassified from the equity to 'other income' in the Statement of Profit and Loss.

**(c) Measured at fair value through profit or loss:** A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised as 'other income' in the Statement of Profit and Loss

Financial assets are not reclassified subsequent to their recognition, except if and in the period the Company changes its business model for managing financial assets.

#### **Trade Receivables and Loans:**

Trade receivables and loans are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

#### **Equity Instruments:**

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL. For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised as 'other income' in the

Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in OCI. Amounts recognised in OCI are not subsequently reclassified to the Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised as 'other income' in the Statement of Profit and Loss.

**De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of Financial Assets**

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall. The impairment losses and reversals are recognised in Statement of Profit and Loss, if any.

**(B) Financial Liabilities:****Initial recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss. In case of trade payables, they are initially recognised at fair value and subsequently, these liabilities are held at amortised cost, using the effective interest method.

**Subsequent measurement**

Financial liabilities are subsequently measured at amortised cost using the EIR method. Financial liabilities carried at fair value through profit or losses are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

**De-recognition**

A financial liability is derecognised when the obligation specified in the contract is discharged, cancelled or expires.



## 6. Provisions and Contingent Liabilities

Provisions are recognised when the Company

- (a) has a present obligation (legal or constructive) as a result of a past event,
- (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and
- (c) a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date. If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

## 7. Revenue Recognition

Interest, finance charges, service charges etc. are recognized as income on accrual basis. Revenue is measured at the fair value of the consideration received or receivable and recognized when it is probable that the economic benefits associated with the transaction will flow to the entity.

## 8. Other Income

Other income is mainly accounted on accrual basis, except in case of significant uncertainties.

## 9. Retirement and other employee benefits:

Employee benefits include provident fund, superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

### Short-term obligation:

Short-term employee benefits like salaries, wages, bonus and welfare expenses payable wholly within twelve months of rendering the services are accrued in the year in which the associated services are rendered by the employees and are measured at the amounts expected to be paid when the liabilities are settled.

### Long-term obligation

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognized as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled. Long Service Awards are recognized as a liability at the present value of the

defined benefit obligation as at the Balance Sheet date.

#### **10. Impairment of Non-Financial Assets:**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset maybe impaired. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss recognized for goodwill is not reversed in subsequent periods.

#### **11. Taxation:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable/receivable on the taxable income/ loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest income/ expenses and penalties, if any, related to income tax are included in current tax expense.

Deferred tax is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is recognized using the tax rates enacted, or substantively enacted, by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**12. Earnings per Share**

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

## Ken Financial Services Ltd

Notes to financial statements for the year ended March 31, 2024

		(₹ in '00)	
Note No.	Particulars	As at March 31	
		2024	2023
<b>2</b>	<b>Cash and cash equivalents</b>		
	Cash on hand	732.16	732.16
	Balance with banks		
	In current accounts	3,867.39	14,789.96
		<b>4,599.55</b>	<b>15,522.12</b>
<b>3</b>	<b>Trade receivable</b>		
	Considered good - unsecured	261.60	54,261.60
		<b>261.60</b>	<b>54,261.60</b>
	<b>a) Undisputed Trade receivables – considered good*</b>		
	i) Less than 6 months	-	54,070.80
	ii) 6 months -1 year	-	70.80
	iii) 1-2 years	70.80	120.00
	iv) 2-3 years	70.80	-
	v) More than 3 years	120.00	-
		<b>261.60</b>	<b>54,261.60</b>
<b>4</b>	<b>Loans</b>		
	<b>(A) At amortized cost</b>		
	Loans repayable on demand	793,772.06	723,089.14
	<b>Total (A) - Gross</b>	<b>793,772.06</b>	<b>723,089.14</b>
	Less: Impairment loss allowance	-	-
	<b>Total (A) - Net</b>	<b>793,772.06</b>	<b>723,089.14</b>
	<b>(B) Out of above</b>		
	Secured	-	-
	Unsecured	793,772.06	723,089.14
	<b>Total (B) - Gross</b>	<b>793,772.06</b>	<b>723,089.14</b>
	Less: Impairment loss allowance	-	-
	<b>Total (B) - Net</b>	<b>793,772.06</b>	<b>723,089.14</b>
	<b>(C) Out of above</b>		
	Loans in India		
	(i) Public Sector	-	-
	(ii) Others	793,772.06	723,089.14
	<b>Total (C) - Gross</b>	<b>793,772.06</b>	<b>723,089.14</b>
	Less: Impairment loss allowance	-	-
	<b>Total (C) - Net</b>	<b>793,772.06</b>	<b>723,089.14</b>
<b>5</b>	<b>Investments</b>		
	<b>(A) At amortised cost</b>		
	<b>(B) At fair value through other comprehensive income</b>		
	In equity instruments		
	Equity shares (Quoted)	10,688.34	4,677.56
		<b>10,688.34</b>	<b>4,677.56</b>
	<b>(C) At fair value through profit or loss</b>		
	<b>(D) At cost</b>		
	<b>Total (A+B+C+D)</b>	<b>10,688.34</b>	<b>4,677.56</b>

## Ken Financial Services Ltd

Notes to financial statements for the year ended March 31, 2024

		(₹ in '00)	
Note No.	Particulars	As at March 31	
		2024	2023
	<b>Out of above</b>		
	In India	10,688.34	4,677.56
	Outside India	-	-
		<b>10,688.34</b>	<b>4,677.56</b>
<b>6</b>	<b>Other financial assets</b>		
	Security Deposit	1,500.00	3,500.00
	Bank deposits with more than 12 months maturity	250.00	-
		<b>1,750.00</b>	<b>3,500.00</b>
<b>8</b>	<b>Other non -financial assets</b>		
	Balance with revenue authorities	133,244.85	134,075.08
	Indirect tax credits available for utilisation	7,404.10	6,662.33
	Advances to suppliers and others	-	137.99
	<b>Total</b>	<b>140,648.95</b>	<b>140,875.40</b>
<b>9</b>	<b>Trade payables</b>		
	Micro, small and medium enterprises	-	-
	Others	11,481.47	13,775.99
		<b>11,481.47</b>	<b>13,775.99</b>
	<b>a) Other trade payables*</b>		
	i) Less than 1 year	5,209.90	12,908.84
	ii) 1-2 years	6,271.58	847.80
	iii) 2-3 years	-	19.35
	iv) More than 3 years	-	-
		<b>11,481.47</b>	<b>13,775.99</b>
<b>10</b>	<b>Borrowings (Other than debt securities)</b>		
	<b>At amortized cost</b>		
	Loans repayable on demand		
	- from banks	-	-
	- from other parties	216,200.00	220,316.31
	<b>Total (A)</b>	<b>216,200.00</b>	<b>220,316.31</b>
	Borrowings in India	216,200.00	220,316.31
	Borrowings outside India	-	-
	<b>Total (B)</b>	<b>216,200.00</b>	<b>220,316.31</b>
<b>11</b>	<b>Provisions</b>		
	Provision on standard assets	3,186.29	2,892.36
		<b>3,186.29</b>	<b>2,892.36</b>
<b>12</b>	<b>Deferred Tax Liabilities (Net)</b>		
	<u>Components of deferred tax asset / (Liabilities)</u>		
	Property, plant and equipment and provision for standard assets	1.60	134.78
	Provision for standard assets	801.93	727.95
	Unrealised gain on securities carried at fair value through profit or loss / other comprehensive income	856.15	168.52
		<b>1,659.68</b>	<b>1,031.25</b>

## Ken Financial Services Ltd

Notes to financial statements for the year ended March 31, 2024

		(₹ in '00)	
Note No.	Particulars	As at March 31	
		2024	2023
	The movement on the deferred tax account is as follows:		
	At the start of the year	1,031.25	3,578.10
	Charge to Statement of Profit and Loss	(59.20)	(1,839.25)
	Charge to Other Comprehensive Income	687.63	(707.60)
	<b>At the end of year</b>	<b>1,659.68</b>	<b>1,031.25</b>
<b>13</b>	<b>Other non-financial liabilities</b>		
	Statutory dues	696.00	239.61
		<b>696.00</b>	<b>239.61</b>
<b>15</b>	<b>Other equity</b>		
	<b>Retained earnings</b>		
	Balance at the beginning of the year	405,071.41	343,312.83
	Profit for the year	7,682.47	61,758.58
		<b>412,753.88</b>	<b>405,071.41</b>
	Transfer to retained earnings	-	-
	Balance as at the end of the year	<b>412,753.88</b>	<b>405,071.41</b>
	<b>Other reserves</b>		
	<b>FVTOCI Equity Investments</b>		
	Balance as at the beginning of the year	532.88	6,010.61
	Addition/(reduction) during the year	5,323.15	(5,477.73)
	Balance as at the end of the year	<b>5,856.03</b>	<b>532.88</b>
	<b>Nature and purpose of other equity</b>		
	<b>(a) Retained Earnings:</b>		
	Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.		
	<b>(b) FVTOCI Equity Investments:</b>		
	The company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVTOCI Equity Investments reserve within equity. The company transfers amount from this reserve to retained earnings when the relevant equity securities are derecognised.		

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### Note : 14 Equity share capital

(₹ in '00)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
<b>A. Authorised Share Capital :</b>				
Equity shares of Rs 10/- Each	3,250,000	325,000.00	3,250,000	325,000.00
<b>B. Issued, Subscribed and fully paid up</b>				
Equity shares of Rs 10/- Fully Paid up	3,000,100	300,010.00	3,000,100	300,010.00
	<b>3,000,100</b>	<b>300,010.00</b>	<b>3,000,100</b>	<b>300,010.00</b>

#### Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2024		As at March 31, 2023	
	No of Shares	Amount	No of Shares	Amount
<b>Equity Shares of par value Rs 10/- fully paid up</b>				
Outstanding at the beginning of the year	3,000,100	300,010.00	3,000,100	300,010.00
Add: Issued during the year	-	-	-	-
Outstanding at the end of the year	3,000,100	300,010.00	3,000,100	300,010.00

#### Terms / Rights attached to equity shares

The Company has only one class of equity share having par value of Rs 10 per share. Each holder of equity share is entitled to one vote per share held. All the equity shares rank pari passu in all respects including but not limited to entitlement for dividend, bonus issue and rights issue. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all liabilities in proportion to their shareholding.

None of the shareholders held more than 5% of the total equity shares of the Company as at March 31, 2024 and as at March 31, 2023.

#### Shareholding pattern of promoters

Promoter Name	As at March 31, 2024		As at March 31, 2023		% Changes during the year	% Changes during the previous year
	No of Shares	% Holding	No of Shares	% Holding		
Aashish Jajodia	41,900	1.40%	41,900	1.40%	0.00%	0.00%
	41,900	1.40%	41,900	1.40%	0.00%	0.00%

**Ken Financial Services Ltd**

Notes to financial statements for the year ended March 31, 2024

**Note : 7 Property, plant and equipment**

	(₹ in '00)					
Particulars	Plant & Machinery	Electrical Installations	Furniture & Fixtures	Office Equipment's	Computers	Total
Gross carrying value as of April 1, 2022	244.25	71.31	682.16	316.93	810.64	2,125.29
Additions	-	-	-	-	-	-
Deletions	-	-	-	-	-	-
Gross carrying value as of March 31, 2023	244.25	71.31	682.16	316.93	810.64	2,125.29
Gross carrying value as of April 1, 2023	244.25	71.31	682.16	316.93	810.64	2,125.29
Additions	-	-	-	-	145.00	145.00
Deletions	244.25	71.31	682.16	316.93	810.64	2,125.29
<b>Gross carrying value as of March 31, 2024</b>	-	-	-	-	<b>145.00</b>	<b>145.00</b>
Accumulated depreciation as of April 1, 2022	145.44	-	-	-	-	145.44
Depreciation for the year	36.36	-	-	-	-	36.36
Accumulated depreciation on deletions	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2023	181.80	-	-	-	-	181.80
Accumulated depreciation as of April 1, 2023	181.80	-	-	-	-	181.80
Depreciation for the year	-	-	-	-	22.64	22.64
Accumulated depreciation on deletions	181.80	-	-	-	-	181.80
<b>Accumulated depreciation as of March 31, 2024</b>	-	-	-	-	<b>22.64</b>	<b>22.64</b>
<b>Carrying value as of March 31, 2024</b>	-	-	-	-	<b>122.36</b>	<b>122.36</b>
Carrying value as of March 31, 2023	62.45	71.31	682.16	316.93	810.64	1,943.49



**Ken Financial Services Ltd**

Notes to financial statements for the year ended March 31, 2024

		(₹ in '00)	
Note No.	Particulars	For the year ended March 31	
		2024	2023
<b>16</b>	<b>Interest income</b>		
	<b>On Financial Assets measured at Amortised Cost</b>		
	Interest on Loans	58,007.45	173,344.20
		<b>58,007.45</b>	<b>173,344.20</b>
<b>17</b>	<b>Sale of services</b>		
	Professional fees received	-	600,840.00
		-	<b>600,840.00</b>
<b>18</b>	<b>Other Income</b>		
	Interest on income tax refund	-	7,027.17
	Interest on Term Deposit	-	1,634.77
	Provision for Standard Assets	-	7,450.57
		-	<b>16,112.51</b>
<b>19</b>	<b>Finance costs</b>		
	Interest on borrowings	18,000.00	61,118.06
		<b>18,000.00</b>	<b>61,118.06</b>
<b>20</b>	<b>Employee benefits expenses</b>		
	Salaries & Wages	14,307.00	12,338.66
	Staff Welfare Expenses	-	752.78
		<b>14,307.00</b>	<b>13,091.44</b>
<b>21</b>	<b>Depreciation, amortization and impairment</b>		
	Depreciation	22.64	36.36
		<b>22.64</b>	<b>36.36</b>
<b>22</b>	<b>Others expenses</b>		
	Annual Listing Fees	2,810.00	4,560.00
	Reinstatement Fees	-	21,000.00
	Business Promotion Expense	-	12,870.84
	Bad Debts	-	17,709.29
	Payment to Auditors *	400.00	400.00
	Professional fees paid	1,500.00	510,900.00
	Rent, Rates and Taxes	4,009.00	3,869.00
	Loss on Sale of Fixed Assets	1,943.49	-
	Sundry Balances written off	549.00	40,054.01
	Provision for Standard Assets	293.93	-
	SEBI Fees	-	1,295.24
	Others	2,709.12	4,426.81
		<b>14,214.54</b>	<b>617,085.19</b>
	<b>* Audit Fees</b>		
	Statutory Audit Fees	400.00	400.00
		<b>400.00</b>	<b>400.00</b>

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### Note : 23 Earnings per share (EPS)

Basic EPS is calculated in accordance with Ind AS 33 'Earnings per share' by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

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

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

Particulars	(₹ in '00, except EPS)	
	For the year ended March 31	
	2024	2023
Net profit attributable to equity shareholders	7,682.47	61,758.08
Weighted Average Number of equity shares outstanding during the year	30,001.00	30,001.00
Earnings per share (basic) (₹)	0.26	2.06
Earnings per share (diluted) (₹)	0.26	2.06
Face Value per Share (Rs.)	10	10

The Company does not have any Dilutive Potential Equity Shares. Hence Basic and Diluted EPS are same.

## Ken Financial Services Ltd

Notes to financial statements for the year ended March 31, 2024

### Note : 24 Income Tax Expense

(₹ in '00)

Particulars	As at March 31	
	2024	2023
<b>A. Components of Income Tax Expense</b>		
<b>Tax Expense recognised in the Statement of Profit and Loss</b>		
<b>Current Tax</b>		
Current Tax on the profits for the year	3,840.00	33,090.00
Adjustments for current tax of prior periods	-	5,956.83
<b>Total (a)</b>	<b>3,840.00</b>	<b>39,046.83</b>
<b>Deferred Tax</b>		
Origination and Reversal of Temporary Differences	628.43	(2,546.85)
Impact of change in tax rate	-	-
<b>Total (b)</b>	<b>628.43</b>	<b>(2,546.85)</b>
<b>Total (a+b)</b>	<b>4,468.43</b>	<b>36,499.98</b>
<b>B. Reconciliation of Tax Expense and the Accounting profit multiplied by India's Tax rate</b>		
Profit/(loss) for the period	11,463.27	98,965.66
<b>Tax Expense at the Indian Tax rate of 25.168% (PY: 25.168%)</b>	<b>2,885.08</b>	<b>24,907.68</b>
Tax effects of amounts which are not deductible (taxable) in computing taxable income	954.92	8,182.32
Adjustments of current tax of prior periods	-	5,956.83
Tax losses for which no Deferred income tax was recognised	628.43	(2,546.85)
Tax on Income exempt from income tax	-	-
<b>Income Tax Expense as per profit &amp; loss</b>	<b>4,468.43</b>	<b>36,499.98</b>

The applicable Indian corporate statutory tax rate for the year ended March 31, 2024 and March 31, 2023 is 25.168% and 25.168% respectively.

### Note : 25 Other Comprehensive Income

Particulars	For the year ended March 31	
	2024	2023
Net gain/(loss) on financial instruments at fair value through other comprehensive income		
- Investments	6,010.78	(6,185.33)
<b>Total net gain/(loss) on fair value changes</b>	<b>6,010.78</b>	<b>(6,185.33)</b>
Fair value changes		
-Realised	-	-
-Unrealised	6,010.78	(6,185.33)
<b>Total net gain/(loss) on fair value changes</b>	<b>6,010.78</b>	<b>(6,185.33)</b>

## Ken Financial Services Ltd

Notes to financial statements for the year ended March 31, 2024

Note : 26 Fair value measurements

Financial instruments by category:

(₹ in '00)

Particulars	31-Mar-24				Fair Value hierarchy			
	Carrying Value				Level 1	Level 2	Level 3	Total
	FVTPL	FVTOCI	Amortised Cost	Total				
<b>Financial Assets</b>								
(i) Cash and Cash Equivalents	-	-	4,599.55	4,599.55	-	-	-	-
(ii) Loans	-	-	793,772.06	793,772.06	-	-	-	-
(iii) Other Financial Assets	-	-	1,750.00	1,750.00	-	-	-	-
<b>TOTAL</b>	-	-	<b>800,121.61</b>	<b>800,121.61</b>	-	-	-	-
<b>Financial Liabilities</b>								
(i) Trade Payables	-	-	122.36	122.36	-	-	-	-
(ii) Other Payables	-	-	140,648.95	140,648.95	-	-	-	-
(iii) Borrowings (Other than Debt Securities)	-	-	216,200.00	216,200.00	-	-	-	-
<b>TOTAL</b>	-	-	<b>356,971.31</b>	<b>356,971.31</b>	-	-	-	-

Particulars	31-Mar-23				Fair Value hierarchy			
	Carrying Value				Level 1	Level 2	Level 3	Total
	FVTPL	FVTOCI	Amortised Cost	Total				
<b>Financial Assets</b>								
(i) Cash and Cash Equivalents	-	-	15,522.12	15,522.12	-	-	-	-
(ii) Loans	-	-	723,089.14	723,089.14	-	-	-	-
(iii) Other Financial Assets	-	-	3,500.00	3,500.00	-	-	-	-
<b>TOTAL</b>	-	-	<b>742,111.26</b>	<b>742,111.26</b>	-	-	-	-
<b>Financial Liabilities</b>								
(i) Trade Payables	-	-	1,943.49	1,943.49	-	-	-	-
(ii) Other Payables	-	-	140,875.40	140,875.40	-	-	-	-
(iii) Borrowings (Other than Debt Securities)	-	-	220,316.31	220,316.31	-	-	-	-
<b>TOTAL</b>	-	-	<b>363,135.20</b>	<b>363,135.20</b>	-	-	-	-

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

The carrying amounts of Cash and Cash equivalents, Trade Receivables, Loans, Other Financial Assets, Trade and Other Payables and Borrowings (Other than Debt Securities) are considered to be approximately equal to the fair value.

#### I. Fair value hierarchy

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are

- (a) recognised and measured at fair value and,
- (b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the Indian accounting standard. An explanation of each level is as follows :

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. For example, listed equity instruments that have quoted market price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

#### II. Valuation techniques used to determine fair value

Significant valuation techniques used to value financial instruments include:

- the fair value of forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
  - o Use of quoted market price or dealer quotes for similar instruments
  - o Using discounted cash flow analysis.

The fair values computed above for assets measured at amortised cost are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of unobservable inputs.

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### Note : 27 Capital

##### (i) Capital management

The company's objectives when managing capital are to

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-today needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

The management monitors the return on capital as well as the level of dividends to shareholders. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### Note : 28 Financial Risk Management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

#### A. Credit risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to credit risk from its operating activities (primarily for trade receivables and loans) and from its financing activities (deposits with banks and other financial instruments).

##### Credit risk management

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

The Company's maximum exposure to credit risk as at 31st March, 2024 & 2023 is the carrying value of each class of financial assets.

##### i) Trade and other receivables

Credit risk on trade receivables is limited based on past experience and management's estimate.

##### ii) Cash and Cash Equivalents

The Company held cash and bank balance with credit worthy banks of Rs.459954.72 at March 31, 2024, (March 31, 2023: Rs 1552212.22). The credit risk on cash and cash equivalents is limited as the Company generally invests in deposits with banks where credit risk is largely perceived to be extremely insignificant

#### B. Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. For the Company, liquidity risk arises from obligations on account of financial liabilities – Trade and Other Payables and Borrowings.

##### Liquidity risk management

The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The Company maintained a cautious funding strategy, with a positive cash balance throughout the year. This was the result of cash delivery from the business. Cash flow from operating activities provides the funds to service the financing of financial liabilities on a day-to-day basis. The Company's treasury department regularly monitors the rolling forecasts to ensure it has sufficient cash on-going basis to meet operational needs. Any short term surplus cash generated by the operating entities, over and above the amount required for working capital management and other operational requirements, are retained as cash and cash equivalents (to the extent required).

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### C. Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments. The Company is exposed to market risk primarily related to interest rate risk and the market value of the investments.

##### i) Currency Risk

The functional currency of the Company is Indian Rupee. Currency risk is not material, as the Company does not have any exposure in foreign currency.

##### ii) Interest Rate Risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

##### Exposure to interest rate risk

According to the Company interest rate risk exposure is only for floating rate borrowings. Company does not have any floating rate borrowings on any of the Balance Sheet date disclosed in this financial statements.

##### iii) Price Risk

Price risk is the risk that the fair value of a financial instrument will fluctuate due to changes in market traded price. It arises from financial assets such as investments in quoted instruments.

##### a Fair value sensitivity analysis for fixed rate Instruments

The Company does not account for any fixed rate financial assets or financial liabilities at fair value through Profit or Loss. Therefore, a change in interest rates at the reporting date would not affect Profit or Loss.

##### b Cash flow sensitivity analysis for variable rate Instruments

The company does not have any variable rate instrument in Financial Assets or Financial Liabilities.



## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### 29 Segment Reporting

The Company is engaged mainly in business of financing and as such there are no other reportable segment as defined by Indian Accounting Standard 108 on "Operating Segments" issued by the Institute of Chartered Accountants of India.

30 There are no dues to Micro, Small & Medium Enterprises as at Balance Sheet date and no interest has been paid to any such parties. This is based on the information on such parties identified on the basis of information available with the Company and relied upon by the auditors.

#### 31 Disclosure of transactions with related parties as required by Ind AS 24

##### i Companies in which promoters have significant influence

NIL

##### ii Key Management Personnel

Shakti Singh Rathore	Managing Director
Praveen Kumar Modi	Director & CFO
Sarika Agarwal	Company Secretary

(₹ in '00)		
Particulars	Current Year	Previous Year
Remuneration	14,307.00	11,470.00

#### 32 Relationship with struck-off companies

Name of struck off Company	Nature of transactions with struck off Company	Balance outstanding	Relationship with the Struck off company, if any, to be
NA	Investments in securities	-	-
NA	Receivables	-	-
NA	Payables	-	-
NA	Shares held by struck off company	-	-
NA	Other outstanding balances	-	-

#### 33 Details of benami property held

There has been no proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

#### 34 Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

#### 35 Compliance with number of layers of companies

The Company does not have any subsidiary(s), therefore Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 relating to Layers of Companies is not applicable.

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

#### 36 Undisclosed income

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

#### 37 Intangible assets under development

There are no Intangible assets under development as on 31st March 2024.

#### 38 Security of current assets against borrowings

The Company does not have borrowings from banks or financial institutions on the basis of security of current assets.

#### 39 Compliance with approved scheme(s) of arrangements

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

#### 40 Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year ended on 31st March 2024.

#### 41 Title deeds of immovable property not held in name of the company

The Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) whose title deeds are not held in the name of the Company.

#### 42 Registration of charges or satisfaction with registrar of companies

The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

#### 43 Utilisation of borrowed funds/share premium/any other source of funds

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities ("Intermediaries") with the understanding (whether recorded in writing or otherwise) that the Intermediary shall, whether, directly or indirectly lend or invest in other persons/entities identified in any manner whatsoever by or on behalf of the Company ('ultimate beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries of the Company in the ordinary course of business .

Accordingly, no further disclosures, in this regard, are required.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities ("Funding party") with the understanding (whether recorded in writing or otherwise) that the Company shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding party (ultimate beneficiaries); or provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

## Ken Financial Services Ltd

### Notes to financial statements for the year ended March 31, 2024

44 **Events after reporting date**

There have been no events after the reporting date that require adjustment/disclosure in these financial statements.

45 The previous year figures have been regrouped /reclassified wherever considered necessary. Figures have been rounded off to the nearest rupee.

As per our report of even date  
**For Satya Prakash Natani & Co.**  
**Chartered Accountants**  
Firm registration number: 115438W

For and on behalf of the Board of Directors of  
**Ken Financial Services Limited**  
CIN: L65990MH1994PLC078898

Sd/-  
**Satya Prakash Natani**  
**Partner**  
Membership number: 048091

Sd/-  
**Shakti Singh Rathore**  
**Managing Director**  
DIN: 09208373

Sd/-  
**Praveen Modi**  
**Director & CFO**  
DIN: 08428737

Mumbai  
May 30, 2024

Sd/-  
**Sarika Agarwal**  
**Company Secretary**