



# **KCL LIMITED**

## **ANNUAL REPORT 2019-2020**





## CORPORATE INFORMATION

### KEY MANAGERIAL PERSONNEL

Mr. Rajeev Khemka, Whole time Director  
Mr. Sanjeev Khemka, Whole time Director  
Mr. Ashish Khemka, Whole Time Director  
Mr. Deeptanshu Khemka, Whole time Director  
Mrs.Chandrakala Khemka, Women Director

### STATUTORY AUDITOR

M/s Rohit Baid & Co.

### INTERNAL AUDITOR

M/s M.L. Bhansali & Co.

### SECRETARIAL AUDITOR

Vikas Verma & Associates  
B-502, Statesman House,  
147, Barakhamba Road,  
New Delhi-110001

### REGISTRAR & SHARE TRANSFER AGENT

Beetal Financial & Computer Services Pvt. Ltd..  
Beetal House, 3<sup>rd</sup> Floor, 99 Madangir,

### BANKERS

Allahabad Bank, NIT Faridabad  
HSBC Bank, Gurgaon

### Stock Exchange

Metropolitan Stock Exchange of India Limited Mumbai

ISIN: INE061C01010

### Non Executive & Independent Director

Mr. Sunil Bansal  
Mr. Rahul Jain  
Mr. Sanjeev Jain (Chairman)

### Registered Office

E-292, Sarita Vihar  
New Delhi-110044

### Manufacturing Plants

Paper Packaging Division  
Plot No:135, Sector-24,  
Faridabad

### Greater Noida Division

11B Udyog Vihar, Greater  
Noida (U.P)

### Baddi Division-II

Village Bir Pilasi, Tehsil  
Nalagarh, Distt. Solan (H.P)

### Printing Division:

Plot No 275,276,297 & 298,  
Sector-24 Faridabad-121005

### Baddi Division

Sai Road, Baddi (H.P)

### Sri-city Division

Plot No 900, Rosewood Drive  
Sri-city, Chittoor District  
Andhra Pradesh-517646



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## NOTICE

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting of M/s KCL Limited (CIN: L74899DL1983PLC068008) will be held on Wednesday, September 30<sup>th</sup> 2020 at 04.00 P.M at the Registered Office of the company Situated at E-292, Sarita Vihar, New Delhi - 110044 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2020, statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ashish Khemka (holding DIN No: 00103321), who retires by rotation, and being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Sanjeev Khemka (holding DIN No: 00103295), who retires by rotation, and being eligible offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary Resolution

**“RESOLVED THAT** pursuant to Section 139 and other applicable provisions if any of the Act and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Rohit Baid & Co., Chartered Accountants, Faridabad, bearing Firm Registration No 031122N with Institute of Chartered Accountant of India be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of the Annual General Meeting for the financial year 17-18 to the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2022, subject to ratification by the Shareholders at every subsequent Annual General Meeting and to authorize the Board of Directors of the company to fix their remuneration.”

**RESOLVED FURTHER THAT** Mr. Rajeev Khemka, Director cum CFO of the Company be and is hereby authorized to do all such actions as may be required to give effect to the aforesaid resolution.

### SPECIAL BUSINESS

5. **REGULARISATION OF ADDITIONAL DIRECTOR, MR. SANJEEV JAIN BY APPOINTING HIM AS AN INDEPENDENT DIRECTOR OF THE COMPANY**  
To consider and if thought fit, to pass with or without modification(s), the following Resolution(s) as Ordinary Resolution(s):

**“RESOLVED THAT,** Mr. Sanjeev Jain (DIN-00011248), who was appointed as an Additional Director with effect from 10<sup>th</sup> September, 2019 on the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as



an Independent Director of the Company.

**RESOLVED FURTHER THAT**, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

**By Order of the Board  
For KCL LIMITED**

**Date: 05-09-2020  
Place: New Delhi**

**(Amit Aggarwal)  
Company Secretary**

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE MEETING. BLANK PROXY FORM IS GIVEN IN THE ANNUAL REPORT.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

2. Corporate Members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.
3. The Instrument appointing the proxy, duly completed shall be deposited at the Company's registered office address not less than 48 hours before the commencement of the meeting. A proxy form for the AGM is enclosed.
4. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company remain closed from Thursday 24<sup>th</sup> to Wednesday 30<sup>th</sup> September, 2020 for the purpose of AGM.



6. Relevant documents referred to in the accompanying Notice and statutory registers are open for inspection by the Members at the Company's Registered Office on all working days between 14:00 -16:00 hrs up to the date of the meeting and will be available for inspection at the AGM.
7. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the meeting.
8. The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members are requested to register their e-mail addresses in respect of electronic holdings with the Depository through their concerned Depository Participants.
9. In terms of Section 152 of the Act, Mr. Ashish Khemka and Mr. Sanjeev Khemka, Directors, retire by rotation at the Meeting and being eligible, offer them for re-appointment. The Nomination and Remuneration Committee of the Board of Directors and the Board of Directors of the Company recommend their respective re-appointments.
10. Mr. Ashish Khemka and Mr. Sanjeev Khemka are interested in the Ordinary Resolutions set out at Item Nos. 2 and 3 respectively, of the Notice with regard to their re-appointment. Mr. Rajeev Khemka Director, being related to Mr. Ashish Khemka may be deemed to be interested in the resolution set out at Item No. 2 of the Notice. Mr. Deeptanshu Khemka, Director, being related to Mr. Sanjeev Khemka may be deemed to be interested in the resolution set out at Item No. 3 of the Notice. Save and except the above, none of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Business set out under Item Nos. 1 to 4 of the Notice
11. Details of Directors retiring by rotation / seeking appointment / re-appointment at the ensuing Meeting are provided in the "Annexure A" to the Notice pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India.
12. The Route map and landmark are enclosed with this notice.
13. The Notice of the AGM along with the Annual Report 2019-20 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
14. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable its Members,



who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.

15. Members may also note that the Notice of the 37<sup>th</sup> AGM and the Annual Report 2019-20 will be available on the Company's website, <http://www.kcl.co.in>. The physical copies of the documents will also be available at the Company's Corporate office for inspection during normal business hours on working days. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at: Plot No 297, Sector-24 Faridabad, Haryana.
16. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
17. Mr. Vikas Kumar Verma, Managing Partner, M/s. Vikas Verma & Associates, Practicing Company Secretaries (Membership No. FCS .9192, has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
18. The Members who have cast their vote by remote e-voting or by ballot form prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
19. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
20. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
21. A member who has not received the Postal Ballot Form may request the Company for a duplicate form. The Postal Ballot Form/duplicate Postal Ballot Form duly completed in all respects, enclosed in self addressed, postage pre-paid envelop should reach the Scrutinizer before 05.00 P.M. on 29<sup>th</sup> September, 2020. The Postal Ballot received after the said date will be treated as not having been received.

**The instructions for e-voting through electronic means are as under-**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies



(Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 27th September, 2020 (9:00 am) and ends on 29th September, 2020 (5:00 pm). During this period members’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2020, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; “remote e-voting.pdf” with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password. If you are already registered with NSDL for e-Voting then you can use your existing user ID and password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put your user ID and password. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.





- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select “EVEN” of “M/s KCL Limited”.
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [vikasverma@vanda.com](mailto:vikasverma@vanda.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote e-voting Event Number) USER ID /PASSWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- (iii) Electronic copies of the Notice of the AGM and the Annual Report for the financial year ended March 31, 2020 of the Company shall be sent to all the members, as on the cut-off date whose email ids are registered with the Company/RTA/Depository participant(s). Please note that the requirement of sending physical copy of the Notice of the AGM and Annual Report to the Members have been dispensed with vide MCA Circular/s and SEBI Circular.

VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.

VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.



NOTE: Shareholders who forgot the User Details/Password can use “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

In case Shareholders are holding shares in demat mode, USER-ID is the combination of (DPID+ClientID).

In case Shareholders are holding shares in physical mode, USER-ID is the combination of (Even No+Folio No).

- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September 2020.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 23<sup>rd</sup> September 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Issuer/RTA.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Vikas Kumar Verma, Practicing Company Secretary (Membership No. FCS: 9192) has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” or “Ballot Paper” or “Poling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of



at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.kcl.co.in](http://www.kcl.co.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the Metropolitan Stock Exchange of India Limited, Mumbai.

**Other Instructions:**

1. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 23<sup>rd</sup> September 2020
2. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e 23<sup>rd</sup> September 2020 only shall be entitled to avail the facility of remote e-voting / voting at AGM.
3. Any person, who acquires shares and become Member of the Company after the dispatch of the notice and holds shares as of the cut-off date i.e. 23<sup>rd</sup> September 2020 may obtain the login ID and password in the manner mentioned above. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details / Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
4. The remote e-voting period will commence on Sunday, 27<sup>th</sup> September, 2020 (9.00 A.M.) and ends on Tuesday, 29<sup>th</sup> September, 2020 (5.00 P.M.). The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast the vote again.
5. The Scrutinizer(s) shall immediately after the conclusion of voting at the Meeting, count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company. The Scrutinizer(s) shall submit a consolidated Scrutinizers' Report of the votes cast in favour or against, if any, not later than 3 (Three) days of conclusion of the Meeting to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or any other person authorized by him in writing shall declare the results of the voting forthwith.
6. The Result declared along with the Scrutinizers' Report shall be placed on the Company's website: [www.kcl.co.in](http://www.kcl.co.in) and on the website of NSDL immediately after the results are declared by the Chairman or any other person authorized by him and the Company shall, simultaneously, forward the results to the concerned Stock exchange where its equity shares are listed.



**Date: 05-09-2020**  
**Place: New Delhi**

**By Order of the Board**  
**For KCL LIMITED**  
**Sd/-**  
**(Amit Aggarwal)**  
**Company Secretary**

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

**ITEM NO. 5**

Mr. Sanjeev Jain was appointed as an Additional Director of the Company with effect from 10<sup>th</sup> September, 2020, in accordance with the provisions of Section 161 of the Companies Act, 2013, read with the Articles of Association of the Company. Pursuant to Section 161 of the Companies Act, 2013, the above director holds office only up to the date of the ensuing Annual General Meeting of the Company.

Mr. Sanjeev Jain is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

The Board is of the view that the appointment of Mr. Sanjeev Jain as Independent Director is desirable and would be beneficial to the Company and hence it recommends the said Resolution No. 5 for approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives, except Mr. Sanjeev Jain himself, is in any way concerned or interested, in the said resolution. The Board recommends the said resolution to be passed as an ordinary resolution.



### Annexure-A

#### Details of Directors Retiring By Rotation/ Seeking Appointment/Re-Appointment At The Ensuing Annual General Meeting

Name of Directors	Mr. Ashish Khemka	Mr. Sanjeev Khemka
Age		
Qualifications	B.tech and MBA from UK	B.Tech from Kurukshetra University
Experience (including expertise in specific functional area)/Brief Resume	22 years of vide experience in Corrugated Industry	30 Years of vide experience in Productions, Administrations etc
Terms and Conditions of Appointment /Reappointment	As per the agreement	As per the agreement
Remuneration last drawn (including sitting fees, if any)	325000	325000
Date of first appointment on the Board	01/08/1996	01/08/1991
Shareholding in the Company as on March 31, 2020	331350	264875
Relationship with other Directors / Key Managerial Personnel	Brother of Rajeev Khemka	Brother of Rajeev Khemka.
Number of meetings of the Board attended during the year	7 (Seven)	7 (Seven)
Directorships of other Boards as on March 31, 2020	Nil	Nil
Membership / Chairmanship of Committees of other Boards as on March 31, 2020	Nil	Member in CSR Committee.



## DIRECTOR'S REPORT

**TO  
THE MEMBERS,  
KCL Limited**

Your Directors have pleasure in presenting their 37<sup>th</sup> Annual Report together with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2020.

### **1. FINANCIAL PERFORMANCE**

As mandated by the Ministry of Corporate Affairs, your company has prepared the financial statement for the year ended March 31, 2020 as per Indian Accounting Standard ('IND AS') notified under Sec 133 of the Companies Act, 2013 read with notification no. G.S.R. 111(E) dated 16.02.2015 as amended from time to time.

Your Company recorded a very good performance in terms of increased turnover and profitability. During the year 2019-20, your Company was able to achieve turnover of Rs. 29451.23 Lakhs as against Rs. 26153.70 Lakhs in the previous year, showing an increase of 12.57% over the previous year. The Profits after Tax of the Company for the year ended 31.03.2020 has been at Rs. 527.35 Lakhs as against Rs. 372.88 Lakhs in the previous year showing the increase in profit of 41.42% in comparison to the previous year.

<b>PARTICULARS</b>	<b>31<sup>ST</sup> MARCH, 2020</b>	<b>31<sup>ST</sup> MARCH, 2019</b>
<b>Revenue from Operations</b>	29451.23	26153.70
<b>Other Income</b>	28.04	32.66
<b>Total Revenue</b>	<b>29479.28</b>	<b>26186.36</b>
<b>Less: Expenditure</b>	28833.44	25757.62
<b>Profit Before Tax for the Year</b>	<b>645.84</b>	<b>428.74</b>
<b>Tax Expenses</b>	118.48	55.85
<b>Net Profit After Tax for the Year</b>	<b>527.35</b>	<b>372.88</b>
<b>Other Comprehensive Income</b>	(11.62)	7.51
<b>Total Comprehensive income for the year</b>	515.72	380.39



## **2. SHARE CAPITAL**

The issued and paid up Equity Share Capital of the Company as on March 31, 2020 was Rs. 3,00,00,850/- comprising 30,00,085 fully paid Equity shares of Rs. 10/- each. During the year under review, the Company has not issued any equity shares/ shares with differential voting rights or granted stock options or issued sweat equity or purchased its own shares. There were no additions/reductions during the financial year 2019-20, in share capital of the Company by way of Public/ Rights/Bonus/preferential issues/ buy back, conversions etc. or any other changes.

## **3. ABOUT COVID-19 LOCKDOWN**

In the Last month of Financial Year 2019-20 the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lockdown of all economic activity. For the Company, the focus has immediately shifted to ensuring the health and well being of all employees, and on minimizing disruptions to services for all our customers globally. Regular production was suspended in the month of April and sometime in May, the Company produced Personal Protective Equipment (PPE) kits and masks during this time. Consequent to withdrawal of lockdown in phased manner, the company resumed operations with proactive planning and limited workforce at office and factory following proper health & safety guidelines in place. We are adhering to workplace safety guidelines issued by government to prevent the spread of such pandemic.

## **4. Subsidiary Companies, Joint Venture and Consolidated Financial Statements**

During the period under review the Company does not have any Subsidiary.

## **5. TRANSFER TO RESERVE**

Your company has transferred profits of Rs. 2 Crore to General reserve.

## **6. DIVIDEND**

The Board of Directors has not recommended any dividend for the financial year ended on March 31, 2020. Since the Board has considered it financially prudent in the long-term interest of the company to re-invest the profits into the business of the company to build a strong reserve base and to grow the business of the company.

As per Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top five hundred listed entities based on market capitalization are required to formulate a Dividend Distribution Policy. However, your company has been classified by the stock exchanges as small cap and hence this regulation does not apply to the Company.

## **7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**



No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of this Report.

#### **8. CHANGES IN THE NATURE OF BUSINESS, IF ANY**

There was no change in the nature of business of the Company during the financial year ended March 31, 2020.

#### **9. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL INCLUDING THOSE WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

##### **Appointment**

There were fresh/additional appointments to Board of Directors, during the financial year 2019-20, appointment of Mr. Sanjeev Jain as an Additional, Independent, Non-Executive Director of the Company subject to the approval of the Shareholders of the Company w.e.f. 10<sup>th</sup> September, 2019.

##### **Retirement by rotation**

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Shri Ashish Khemka, Director, & Shri Sanjeev Khemka, Director, retires by rotation and is eligible himself for reappointment.

##### **Resignations**

Mr. Shyam Sunder Khemka, Managing Director of the Company has been resigned from the Company w.e.f 20<sup>th</sup> February 2020 due to sudden Demise. The Board of Directors took on record the invaluable contributions made by Late Mr. Shyam Sunder Khemka, as a Managing Director of the Company during his tenure and association with the company.

#### **10. NUMBER OF MEETINGS OF BOARD OF DIRECTORS**

During the year the Board met 7 times to deliberate on various matters on 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 10<sup>th</sup> September, 2019, 31<sup>st</sup> October, 2019, 14<sup>th</sup> November, 2019, 14<sup>th</sup> February, 2020, and 20<sup>th</sup> February, 2020 and 4(four) Audit Committee Meetings were held on 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 14<sup>th</sup> November, 2019 and 14<sup>th</sup> February, 2020. The intervening gap between the two Meetings was within the period prescribed under the Companies Act, 2013.

#### **11. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, hereby state and confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along-with the proper explanation and there are no material departures;





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

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

d) The Directors had prepared the annual accounts on a going concern basis.

e) The internal financial controls to be followed by the Company were laid down and such internal financial controls are adequate and operating effectively; and

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **12. DECLARATION BY INDEPENDENT DIRECTORS**

Pursuant to sub section (6) of Section 149 of the Companies Act, 2013 and Reg 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Independent Directors of the Company have given declaration to the Company that they qualify the criteria of independence as required under the Act and the regulations.

## **13. NOMINATION AND REMUNERATION POLICY OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND OTHER EMPLOYEES**

In adherence of section 178(1) of the Companies Act, 2013, the Board of Directors of the Company approved a policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided u/s 178(3), based on the recommendations of the Nomination and Remuneration Committee. The broad parameters covered under the Policy are – Company Philosophy, Guiding Principles, Nomination of Directors, Remuneration of Directors, Nomination and Remuneration of the Key Managerial Personnel.

## **14. BOARD EVALUATION**

In line with the statutory requirements enshrined under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board carried out a performance evaluation of itself, its Committees, the Chairman and each of the other Directors. As in previous year, this was carried out on the basis of framework approved by the Nomination and Remuneration Committee. The Committee had unanimously



consented for an 'in-house' review built on suggestive parameters: the following evaluations were carried out by the committee:

- Review of Board as a whole by all the Members of the Board
- Review of all Board Committees by all the Members of the Board
- Review of Individual Directors by rest of the Board Members except the Director being evaluated

#### **15. EXTRACT OF THE ANNUAL RETURN**

The extract of the Annual Return in Form No. MGT – 9 forms part of the Board's Report and is annexed herewith as **ANNEXURE -I**

#### **16. AUDITORS & AUDITOR'S REPORT**

##### **a) Statutory Auditors**

M/s Rohit Baid & Co. (Firm Registration No 031122N) Chartered Accountants, Statutory Auditors of the Company, had been appointed as the Statutory Auditor of the Company in the 34th Annual General Meeting to hold office until the conclusion of 39th Annual General Meeting. The Auditor has confirmed that they hold a valid certificate issued by the Board of the ICAI. There are no qualifications or reservation or remarks made by the Auditors in their Report.

##### **b) Secretarial Auditors**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with corresponding Rules framed there under, M/s Vikas Verma & Associates, Company Secretaries were appointed as the Secretarial Auditors of the Company to carry out the secretarial audit for the year ending March 31, 2020. A Secretarial Audit Report given by the Secretarial Auditors in Form No. MR-3 is annexed with this Report as **ANNEXURE – II** which is self explanatory.

#### **17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.,**

The particulars of loans, guarantees and investments, wherever required, have been disclosed in the financial statements, which also form part of this report.

#### **18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract and arrangement entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto are disclosed in Form No. **AOC-2 in ANNEXURE –III** and form part of this Report.

#### **19. DETAILS RELATING TO DEPOSITS COVERED UNDER CHAPTER V OF THE ACT**



Your company has not invited/ accepted deposits from public as envisaged under Sections 73 to 76 of Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules, 2014.

## **20. CORPORATE GOVERNANCE**

The company is committed to maintain the standards of Corporate Governance and adhere to the corporate governance requirements set out by SEBI.

A Separate report on Corporate Governance along with Auditors Certificate on its compliance is annexed to this report in **Annexure-IV**

## **21. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

As per the Audited Financial Statements of the Company for the year 2019-20, the provisions of Section 135, read with Schedule VII and Companies (Corporate Social Responsibility) Rules, 2014 of the Companies Act, 2013, has become applicable to the Company. So in accordance with the provisions of Section 135 of the Companies Act, 2013 read with schedule VII of the Said Act and further read Companies (Corporate Social Responsibility) Rules, 2014, "Corporate Social Responsibility Committee" had been constituted w.e.f. 28.05.2016 consisting of following persons as Members/ Chairman :

<b>S.No</b>	<b>Name of the Director</b>	<b>Designation</b>
1	Mr. Rajeev Khemka, Director	Chairman
2	Mr. Sanjeev Khemka, Director	Member
3	Mr. Sunil Bansal, independent Director	Member

During the year 2019-20, the Company had identified certain projects/activities on which the CSR expenditure for the financial year 2019-20 was made. The activities included promoting health care including preventive health care, facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups, animal welfare etc. Details about the CSR policy and initiatives taken by the Company during the year are available on your company's website [www.kcl.co.in](http://www.kcl.co.in).

The Report on CSR activities is given in Annexure-V forming part of this Report.

## **22. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

According to Section 134(5) (e) of the Companies Act, 2013, the term financial control (IFC) means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of business, including



adherence to the company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

The Company has a well-placed, proper and adequate Internal Financial Control System which ensures that all the assets are safeguarded and protected and the transactions are authorized, recorded and reported correctly.

To further strengthen the internal control process, the company has developed the very comprehensive compliance management tool to drill down the responsibility of the compliance from top management to executive.

### **23. AUDIT COMMITTEE**

The Board of Directors of the Company has constituted Audit Committee u/s 177 of the Companies Act, 2013 consisting of 3 (Three) members Mr. Sunil Bansal, Mr. Rahul Jain & Mr. Sanjeev Jain all of them being Independent Directors of the Company. Mr. Sunil Bansal is the chairman of the audit committee.

The Company Secretary acts as the secretary to the audit committee. The primary objective of the audit committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The audit committee oversees the work carried out in the financial reporting process by the Management, the internal auditors and the independent auditors, and notes the processes and safeguards employed by each of them. The audit committee has the ultimate authority and responsibility to select, evaluate and, where appropriate, replace the independent auditors in accordance with the law. All possible measures must be taken by the audit committee to ensure the objectivity and independence of the independent auditors.

All recommendations made by the audit committee during the year were accepted by the Board.

### **24. VIGIL MECHANISM / WHISTLE BLOWER POLICY:**

As per the provisions of Companies Act, 2013, every Listed Company shall establish a vigil mechanism (similar to Whistle Blower mechanism). In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a vigil mechanism/ whistle blower policy for directors and employees to report genuine concerns. There has been no change to the vigil mechanism/ whistle blower policy adopted by the company during the Financial Year 2020.

### **25. RISK MANAGEMENT POLICY**

The Board of the Company has formed a risk management committee to frame, implement and monitor the risk management policy for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the corporate governance report, which forms part of this report.



## **26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## **27. CREDIT RATINGS**

During the year under review CRISIL, A SEBI, RBI & NSIC registered credit rating agency in India, has assigned Bank rating BBB for Long-term bank facilities and the Outlook of which is stable regarding timely servicing of financial obligations and A3+ for Short-term bank facilities.

## **28. LISTING OF SECURITIES**

At present, the securities of the Company are listed on "Metropolitan Stock Exchange of India Limited" (MSEI). The Company has paid the Listing Fees to the MSEI upto the financial year 2019-20.

## **29. CONSERVATION OF ENERGY, TECHNOLOGICAL ABSORPTION AND FOREIGN EXCHANGE OUTGO**

### **Conservation Of Energy:**

- 1) The company has taken several effective steps to consumption of the electrical units by replacing normal tube lights with LED lights.
- 2) The company is engaged in manufacturing of corrugated boxes and printed duplex board cartons & breakfast cereals, with the modernized and upgraded Plant and Machineries so that energy requirement of per unit production can be minimized.

### **Technology absorption, adaption and innovation:**

The company has adopted latest technologies, processes, designs and machineries to manufacture Quality packaging products & breakfast cereals.

### **Research and Development (R&D):**

The company has in house research and development facilities. The company has installed modernized corrugation plant (imported) for its various units engaged in the manufacturing of corrugated boxes and its allied products.



**Foreign Exchange earnings and outgo:**

Foreign exchange earnings and outgo	2019-20	2018-19
Earning for value of exports on F.O.B basis	NIL	NIL
Expenditure in foreign currency :		
a) Raw Material	70088976	0
b) Repairs & Maintenance(P&M)	4330494	4962162
c) Capital Goods	3055010	114720940
d) Traveling Expenses	6468171	12469140

**30. PARTICULARS OF EMPLOYEES:**

The Information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the company, will be provided on request. In terms of section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees particulars which is available for inspection by the members at the Registered office of the company during business hours on all working days of the company up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining the copy thereof, such member may write to the company secretary in this regard.

**Particular of Employees is annexed herewith in Annexure -VI**

**31. INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

Your Company has a policy and framework for employees to report sexual harassment cases at workplace and the process ensures complete anonymity and confidentiality of information. No complaints of sexual harassment were raised in the financial year 2019-20.

**32. MANAGEMENT DISCUSSION AND ANALYSIS**

Management discussion and Analysis Report for the year under review, as stipulated under Regulation 34 of the Listing Agreement, 2015 with the stock exchanges is presented as a separate section forming part of this report in **Annexure -VII**



### **33. DISCLOSURE REQUIREMENTS**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:-

- a. Details relating to deposits covered under Chapter V of the Act.
- b. Issue of equity shares and differential rights as to dividend, voting or otherwise.
- c. Issue of Shares (including sweat equity shares) to employees of the Company under any scheme.
- d. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- e. Company does not have any subsidiary.

### **34. ACKNOWLEDGEMENT**

Your Directors place on record their sincere appreciation of the services rendered by the employees of the Company. They are grateful to shareholders, bankers, customers and vendors of the company for their continued valued support. The Directors look forward to a bright future with confidence.

Date: 05.09.2020

Place: New Delhi

By the order of the Board

M/s KCL Limited

SD/-

Ashish Khemka

Director

DIN No: 00103321

SD/-

Rajeev Khemka

Director

DIN No: 00103260



ANNEXURE I

**Form No. MGT-9  
EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31.03.2020**

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

<b>I</b>		<b>REGISTRATION &amp; OTHER DETAILS</b>
i)	CIN	L74899DL1983PLC068008
ii)	Registration Date	21/01/1983
iii)	Name of the Company	KCL LIMITED
iv)	Category/Sub-category of the Company	Company Limited By Shares/ Indian Non-Government Company
v)	Address of the Registered office & contact details	E-292, Sarita Vihar, New Delhi-110044 E-mail: cs@kcl.co.in Tel: 011-26955419
vi)	Whether listed company (Yes/No)	Listed
vii)	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s Beetal Financial & Computer Services Pvt Ltd. , 3rd Floor, 99 Madangir, BH-Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi-110062

<b>II</b>		<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
		All the business activities contributing 10% or more of the total turnover of the company shall be stated	
SL. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1.	Manufacturing of corrugated boxes, duplex cartons and other containers.	1702	95.56%

<b>III</b>		<b>PARTICULARS OF HOLDING , SUBSIDIARY &amp; ASSOCIATE COMPANIES</b>			
Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
	NA	NA	NA	NA	NA

<b>IV</b>	<b>SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)</b>





(i) Category-wise Share Holding									
Category of Shareholders	Shareholding at the beginning of the year-2019				Shareholding at the end of the year-2020				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Shareholding of Promoter and Promoter Group</b>									
<b>(1) Indian</b>									
a) Individuals/ Hindu Undivided Family	1554710	257400	1812110	60.40	1554710	257400	1812110	60.40	0
b) Central Govt. or State Govt.(s)	0	0	0	0	0	0	0	0	0
c) Financial Institutions / Bank	0	0	0	0	0	0	0	0	0
d) Any other (Specify)									
<b>SUB TOTAL:(A) (1)</b>	<b>1554710</b>	<b>257400</b>	<b>1812110</b>	<b>60.40</b>	<b>1554710</b>	<b>257400</b>	<b>1812110</b>	<b>60.40</b>	<b>1554710</b>
<b>(2) Foreign</b>									
a) Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Governments	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
e) Any other (Specify)									
<b>SUB TOTAL:(A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)</b>	<b>1554710</b>	<b>257400</b>	<b>1812110</b>	<b>60.40</b>	<b>1554710</b>	<b>257400</b>	<b>1812110</b>	<b>60.40</b>	<b>1554710</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds /	0	0	0	0	0	0	0	0	0



UTI									
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
f) Financial Institutions / Bank	0	0	0	0	0	0	0	0	0
g) Insurance Companies	0	0	0	0	0	0	0	0	0
h) Provident Funds/ Pension Funds	0	0	0	0	0	0	0	0	0
i) Any other (specify)									
<b>SUB TOTAL (B)(1):</b>	0	0	0	0	0	0	0	0	0
<b>(2) Central Government/ State Government(s)/ President of India</b>	0	0	0	0	0	0	0	0	0
<b>Sub Total (B)( 2)</b>	0	0	0	0	0	0	0	0	0
<b>(3) Non Institutions</b>									
<b>a) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	8100	78800	86900	2.90	8100	78800	86900	2.90	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	0	263675	263675	8.79	0	263675	263675	8.79	0
iii) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0



iv) Overseas Depositories(holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
v)Any Others(Specify)	0	0	0	0	0	0	0	0	0
vi) Hindu Undivided Family	0	0	0	0	0	0	0	0	0
vii) Body Corporate	1600	835800	837400	27.91	1600	835800	837400	27.91	0.00
<b>SUB TOTAL (B)(3):</b>	<b>9700</b>	<b>1178275</b>	<b>1187975</b>	<b>39.60</b>	<b>9700</b>	<b>1178275</b>	<b>1187975</b>	<b>39.60</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)+(B)(3)</b>	<b>9700</b>	<b>1178275</b>	<b>1187975</b>	<b>39.60</b>	<b>9700</b>	<b>1178275</b>	<b>1187975</b>	<b>39.60</b>	<b>0</b>
<b>C. Non-Promoter-Non Public</b>									
<b>Custodian /DR Holders</b>	0	0	0	0	0	0	0	0	0
<b>Employee Benefit Trust under SEBI (Share based Employee Benefit) Regulations, 2014</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>1564410</b>	<b>1435675</b>	<b>3000085</b>	<b>39.60</b>	<b>1564410</b>	<b>1435675</b>	<b>3000085</b>	<b>100</b>	<b>0</b>

(ii)		Share Holding of Promoters						
Sl. No	Shareholders Name	Shareholding at the beginning of the year-2019			Shareholding at the end of the year-2020			% change in share holding during the year
		No. of shares	% of total shares of the co.	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Late Mr. Shyam Sunder Khemka	426260	14.2	N/A	426260	14.2	N/A	



2	Mr. Sanjeev Khemka	264,875	8.83	N/A	264,875	8.83	N/A	
3	Mr. Rajeev Khemka	246325	8.21	N/A	246325	8.21	N/A	
4	Mr. Ashish Khemka	331350	11.04	N/A	331350	11.04	N/A	
5	Mrs. Vandna Khemka	77,600	2.59	N/A	77,600	2.59	N/A	
6	Mrs. Vandana Khemka	75,500	2.52	N/A	75,500	2.52	N/A	
7	Mrs. Chandra Kala Khemka	390,200	13.01	N/A	390,200	13.01	N/A	

<b>(iii) Change in Promoters' Shareholding (please Specify, if there is no change) : No change</b>								
SI No	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of shares	% of total shares of the co.	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
NIL								

<b>(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters &amp; Holders of GDRs &amp; ADRs)</b>					
Sl. No	Shareholders Name	Shareholding at the beginning of the year-2019		Shareholding at the end of the year-2020	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company

<b>v. Shareholding of Directors and Key Managerial Personnel:</b>					
Sl. No.		Shareholding at the beginning of the year-2019		Cumulative Shareholding during the year-2020	
	For Each of the Directors and KMP –	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company



v. Shareholding of Directors and Key Managerial Personnel:					
Sl. No.		Shareholding at the beginning of the year-2019		Cumulative Shareholding during the year-2020	
1	Late. Mr Shyam Sunder Khemka	426260	14.2	426260	14.2
2	Mr. Rajeev Khemka	246325	8.21	246325	8.21
3	Mr. Sanjeev Khemka	264875	8.83	264875	8.83
4	Mr. Ashish Khemka	331350	11.04	331350	11.04
5	Mrs Chandra Kala Khemka	390200	13.01	390200	13.01

V INDEBTEDNESS					
Sl No	Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Particulars	Secured Loans excluding deposits	Unsecured Loans	Security Deposits	Total Indebtedness
1	<b>Indebtedness at the beginning of the financial year</b>				
	i) Principal Amount	415843250	91158131	0	507001381
	ii) Interest due but not paid	0	0	0	0
	iii) Interest accrued but not due	0	0	0	0
	<b>Total (i)+(ii)+(iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
2	<b>Change in Indebtedness during the financial year</b>				
	Additions	0	0	0	0
	Reduction	0	0	0	0
3	<b>Net Change</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
4	<b>Indebtedness at the end of the financial year</b>				
	i) Principal Amount	0	0	0	0
	ii) Interest due but not paid	0	0	0	0
	iii) Interest accrued but not due	0	0	0	0
	<b>Total (i)+(ii)+(iii)</b>	<b>415843250</b>	<b>91158131</b>	<b>0</b>	<b>507001381</b>

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL						
A. Remuneration to Managing Director, Whole Time Director and/or Manager:						
Sl. No	Particulars of Remuneration	Name of Whole Time Director				Amount
		Late.S S Khemka	Rajeev Sir	Sanjeev Sir	Ashish Sir	
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	3,537,000	3,537,000	3,537,000	3,537,000	1,41,48,000



2	(b) Value of perquisites u/s 17(2) of the Income tax Act, 19610	6,00,000	0	0	0	0
3	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0	0
4	Stock option	0	0	0	0	0
5	Sweat Equity	0	0	0	0	0
6	Commission	0	0	0	0	0
	as % of profit	0	0	0	0	0
	others (specify)	0	0	0	0	0
5	Others, please specify -Employer's contribution to PF -Encashment of earned leaves	0	0	0	0	0
	<b>Total (A)</b>	41,37,000	35,37,000	35,37,000	35,37,000	1,47,48,000
	<b>Ceiling as per the Act</b>					

**B. Remuneration to other directors:**

Sl. No	Name	Sitting Fees (Rs)	Commission (Rs)	Total Compensation (Rs)
<b>I</b>	<b>Non-Executive Directors</b>			
	Nil			
	<b>Total (I)</b>			
<b>II</b>	<b>Independent Directors</b>			
	Nil			
	<b>Total (II)</b>			
	<b>Grand Total (I + II)</b>			

**C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD**

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount Paid
		Gross Salary	Company Secretary	
1	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	9,00,000	-	9,00,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission as % of profit	-	-	-
	others, specify			



5	Others, please specify			
	<b>Total</b>			

<b>VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCE:</b>						
<b>Sl No</b>	<b>Type</b>	<b>Section of the Companies Act</b>	<b>Brief Description</b>	<b>Details of Penalty/Punishment/Compounding fees imposed</b>	<b>Authority (RD/NCLT/ Court)</b>	<b>Appeal made if any (give details)</b>
<b>A.</b>	<b>COMPANY</b>					
	Penalty			NONE		
	Punishment					
	Compounding					
<b>B.</b>	<b>DIRECTORS</b>					
	Penalty			NONE		
	Punishment					
	Compounding					
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>					
	Penalty			NONE		
	Punishment					
	Compounding					



**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31/03/2020**

*[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 Board,  
**KCL Limited**,  
E-292, Sarita Vihar, New  
Delhi-110044 India

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

Based on our inspection, verification of **Company’s** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, 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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **KCL Limited** (the Company) for the Financial Year ended on March 31, 2020 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under.
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. 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;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - a) The Securities and Exchange Board of India {Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;





- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *(No transaction has been recorded during the Audit Period)*
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(No transaction has been recorded during the Audit Period)*
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(No transaction has been recorded during the Audit Period)*
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(No transaction has been recorded during the Audit Period)*
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

As informed to us the following other laws specifically applicable to the Company as under and as confirmed & declared by the management, the Company has duly complied the same:-

1. The Employees Provident fund and Miscellaneous Provisions Act, 1952 along with labour laws
2. Employees State Insurance Act, 1948
3. Maternity Benefit Act, 1961
4. Payment Gratuity Act, 1972
5. Factories Act, 1949
6. Environmental Act, 1986 and its allied applicable laws

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

1. Secretarial Standard issued by The Institute of Company Secretaries of India.
2. The Listing Agreements entered into by the Company with MSEI.

In respect to the other applicable laws specifically applicable to the Company, We have relied on information / records / declaration produced/furnished by the Company during the course of our audit and the reporting is limited to the extent.



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

All decisions of the Board were unanimous and the same are captured and recorded as part of the minutes.

We further report that there is scope to improve the systems and processes in the company and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the period there were no specific instances / events pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs except the following:

<b>Sr.No</b>	<b>Compliance Requirement (Regulations/ circulars / guidelines including specific clause)</b>	<b>Deviations</b>	<b>Observations/ Remarks of the Practicing Company Secretary</b>
1.	Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in submitting Corporate Governance Report for the Quarter ended 30 <sup>th</sup> June, 2019.	Submit on 17 <sup>th</sup> July 2020
2.	Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in submitting shareholding pattern of the Company for the quarter ended on: 30 <sup>th</sup> Sep, 2019.	Submit on 22 <sup>nd</sup> October 2019
3.	Regulation 30 & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in submitting financial statements along with limited review report for the quarter ended: 30 <sup>th</sup> Sep, 2019	Submit on 15 <sup>th</sup> November 2019

**For Vikas Verma & Associates  
Company Secretaries  
FRN: P2012DE081400**



**Date: 01.09.2020**  
**Place: New Delhi**

**Sd/-**  
**Vikas Kumar Verma**  
**Managing Partner**  
**CP No. 10786**  
**Membership No. F9192**  
**UDIN: F009192B000667388**

\*This report is to be read with our letter of even date which is annexed as Annexure-A forming part of an integral



**Annexure-A**

To,

The Members,  
**KCL Limited,**  
E-292, Sarita Vihar, New  
Delhi-110044 India

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

Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on this secretarial record based on our audit.

We have the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of the accounts of the company.

Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Vikas Verma & Associates**  
**Company Secretaries**  
**FRN: P2012DE081400**

**Date: 01.09.2020**  
**Place: New Delhi**

**Sd/-**  
**Vikas Kumar Verma**  
**Managing Partner**  
**CP No. 10786**  
**Membership No. F9192**  
**UDIN: F009192B000667388**



Annexure- III

**FORM NO. AOC- 2**

*(Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

**Details of contracts or arrangements or transactions not at arm's length basis:** KCL Limited has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2019-20.

**Details of material contracts or arrangement or transactions at arm's length basis:** KCL Limited has entered into the following contract or arrangement or transaction with its related parties which is at arm's length during financial year 2019-20

<b>Name of Related Party and Nature of Relationship</b>	<b>Nature of contracts/ arrangement/ transactions</b>	<b>Duration of contracts/ arrangement/ transactions</b>	<b>Salient terms of contracts/ arrangements/ transactions including the value, if any</b>	<b>Date(s) of approval by the Board, if any</b>	<b>Amount paid as advance, if any</b>
FHS	Rent Paid	As per Contract	12,00,000		Nil
Wellness Foods and KCL Milk	Purchases	As per Contract	Nil		Nil
Mr. Shyam Sunder Khemka and Mrs. Chander Kala Khemka	Rent Paid	As per Contract	56,80,000		Nil

**Date: 31-07-2020**

**Place: New Delhi**

**By the order of the board  
For KCL Limited**

**SD/-  
Rajeev Khemka  
Director  
DIN No 00103260**



**CORPORATE GOVERNANCE REPORT**

**(In Terms of Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V to the said regulations)**

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (The "Listing Regulations"). Corporate Governance is modus operandi of governing a corporate entity which includes a set of systems, procedures and practices which ensure that the Company is managed in the best interest of all corporate stakeholders i.e. shareholders, employees, suppliers, customers and society in general. Fundamentals of Corporate Governance include transparency, accountability, reporting and independence.

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company strongly believes that establishing good corporate governance practices in each and every Function of the Organization leads to achieve the sustainable growth and enhances the long term value for all stakeholders. The Company always endeavors to carry its business operations in a fair, transparent and ethical manner and also holds itself accountable and responsible to the society it belongs. The Company considers it imperative to abide by the laws and regulations and is committed to the highest standards of corporate behaviors. The Company always strives to improve the performance at all levels by adhering to corporate governance practices such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholder's value in the long run. To create a culture of good governance, constitution of Board Committees as a part of the Internal Control System, fair representation of non-executive and independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues.

The Company has complied with norms of Corporate Governance as required under the SEBI (LODR) Regulations, 2015. The Company understands that compliances of applicable legislations and timely Disclosures enhance the image of the Company as a good corporate citizen in the Country.

**2. BOARD OF DIRECTORS**

**a) COMPOSITION**

As at March 31<sup>st</sup>, 2020, the Company has Eight Directors. Out of the Eight Directors, four (i.e. 50%) are executive directors and three (i.e.37.50%) are non-executive independent directors and One Non Executive Women Director. The Composition of the Board is as per stipulated requirements. The Board meets at regular intervals to discuss and decide on business strategies/ policies and review the financial performance of the Company. The Board meetings are pre-scheduled and are circulated to the Directors well in advance to facilitate the Directors to plan their schedules accordingly. The Board is well diversified and consists of one Woman Director.



## B) BOARD MEETINGS

During the financial year 2019-2020, the Board met 7 times on 30<sup>th</sup> May, 2019, 14<sup>th</sup> August, 2019, 10<sup>th</sup> September, 2019, 31<sup>st</sup> October, 2019, 14<sup>th</sup> November, 2019, 14<sup>th</sup> February, 2020, and 20<sup>th</sup> February, 2020. Following is the Composition of the Board Attendance and other memberships of the Directors of the Company:

Name of Director Or	Category of Directorships	Number of Board meetings during the year 2019-20		Whether attended last AGM	Number of other Directorships		Committee Membership	
		Hel d	Attended				Chairman	Member
Rajeev Khemka	Director	07	07	Yes	Nil	7	1	0
Sanjeev Khemka	Director	07	07	Yes	Nil	8	0	1
Ashish Khemka	Director	07	07	Yes	Nil	6	Nil	Nil
Deeptanshu Khemka	Director	07	07	Yes	Nil	0	Nil	Nil
ChandraKala Khemka	Non Executive Director,	07	07	Yes	Nil	0	0	0
Rahul Jain	Non Executive Independent Director	07	07	Yes	Nil	1	1	2
Sunil Bansal	Non Executive Independent Director	07	07	Yes	Nil	4	2	3
Sanjeev Jain	Non Executive Independent Director	04	04	No	Nil	3	Nil	3

### PERFORMANCE EVALUATION:

In compliance with the provisions of the Companies Act, 2013 ( the Act ) and applicable clauses of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board, during the year adopted a formal mechanism for evaluation of its performances as well as that of its committees and individual Directors, including the Chairman of the Board. A structured questionnaire was prepared after taking into consideration inputs received from



the Directors, covering various aspects of the Boards functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

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

#### **INDEPENDENT DIRECTORS' MEETING:**

In compliance with Section 149(8) of the Act read along with Schedule IV of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors met on 31.03.2020 inter alia, to discuss:

- (a) Evaluation of the performance of non- Independent Directors and the Board as a whole;
- (b) Evaluation of the performance of the Chairperson of the company, taking into account the views of Executive directors and non-executive directors;
- (c) Evaluation of 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. All the Independent Directors were present at the meeting.

### **3. Committees of the board**

#### **A. Audit Committee**

The company has duly constituted Audit Committee, the scope of which is quite comprehensive and is in conformity with the provisions of the Companies Act, 2013 and Listing Regulations. During the Financial Year 2019-20. The Audit Committee consisted of 3 directors as under:

Name	Category	Number of meetings during the financial year 2019-20	
		Held	Attended
Sunil Bansal	Independent, Non-Executive	4	4
Rahul Jain	Independent, Non-Executive	4	4
Sanjeev Jain	Independent, Non-Executive	4	4





### **TERMS OF REFERENCE:**

The terms of reference of Audit Committee cover the areas mentioned under Part C of Schedule II of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 as well as Section 177 of the Companies Act, 2013. The Audit Committee assists the Board in its responsibility of overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Committees purpose is to oversee the accounting and financial process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the statutory auditors including the Cost auditors, the performance of internal auditors and the Company s risk management policies.

### **B. NOMINATION AND REMUNERATION COMMITTEE**

In compliance with Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations the Board has a duly constituted "Nomination and Remuneration Committee". During the financial Year 2019-20. The Nomination and Remuneration Committee is presently consist of 3 directors as under:

Name	Category	Number of meetings during the financial year 2019-20	
		Held	Attended
Sunil Bansal	Independent, Non-Executive	02	02
Rahul Jain	Chairman, Independent, Non-Executive	02	02
Sanjeev Jain	Independent, Non-Executive	02	02

During year 2019-20 two Meetings of Nomination and Remuneration Committee were held on 22.10.2019, and 31.03.2020 which were attended to by all the respective Members of the Committee.

### **TERMS OF REFERENCE:**

The terms of the reference of Nomination and Remuneration Committee covers the areas mentioned under Part D of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulation 2015 as well as section 178 of the Companies Act, 2013. The objectives of constituting of Nomination and Remuneration Committee are as follow:

- Recommend to the board the set up and composition of the board and its committees. Including the "formulation of the criteria for determining qualifications, positive attributes and independence of a director". The committee will consider periodically reviewing the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience.
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;



- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Recommend to the board the remuneration policy for directors, executive team or key managerial personnel as well as the rest of the employees.

**(I) REMUNERATION POLICY:**

Remuneration policy in the Company is designed to create a high performance culture. It enables the Company to attract, retain and motivate employees to achieve results. Our business model promotes customer centricity and requires employee mobility to address project needs. The remuneration policy supports such mobility through pay models that are compliant to local regulations. The Company pays remuneration by way of salary, benefits, perquisites and allowances.

**Details of remuneration paid to Directors are as follows:**

a. Remuneration to Executive Directors:

Name of the Director	Basic salary	Allowances	Perquisites	Performance Bonus/commission	Provident fund contribution	Total (P.M)
Late Mr. Shyam Sunder Khemka	200000	125000	-	-	-	325000
Mr. Rajeev Khemka	200000	125000	-	-	-	325000
Mr. Sanjeev Khemka	200000	125000	-	-	-	325000
Mr. Ashish Khemka	200000	125000	-	-	-	325000
Mr. Deeptanshu Khemka	200000	-	-	-	-	200000

**REMUNERATION TO NON-EXECUTIVE DIRECTORS:**

As per mutual understanding between the directors and Company, the Non Executive Independent Director does not taking any fees for attending the meeting of the Board or the Committee. The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;



Name of Director	Sitting Fees	Commission
Sanjeev Jain	N/A	N/A
Rahul Jain	N/A	N/A
Sunil Bansal	N/A	N/A

### C. Stakeholders' relationship committee

The Board has formed an Investors Grievance Committee named as Stakeholder's Relationship Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Rules made there under to specifically look into the redressal of investors complaint like transfer of shares, non receipt of balance sheet or non receipt of credit of shares into the Demat account etc. The Committee also approves issue of duplicate share certificate(s) and other related matters and oversees and reviews all matters connected with the share transfer. The Committee is consisting of following Directors:

During the year, one meeting of the stakeholders' relationship committee was held on 31<sup>st</sup> March, 2020 .The composition of the Stakeholders' Relationship Committee and the details of meetings attended by its members are given below:

Name	Category	Number of meetings during the financial year 2019-20	
		Held	Attended
Sanjeev Jain	Independent, Non-Executive	01	01
Sunil Bansal	Independent, Non-Executive	01	01
Rahul Jain	Independent, Non-Executive	01	01

- Shri Rahul Jain was designated as the Chairman of the Committee.
- There were no complaints received from Shareholders during the year.

### D. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was formed pursuant to section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, to formulate and recommend to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company as specified in Schedule VII to the Act, to recommend the amount of expenditure to be incurred on such activities and to monitor the Corporate Social Responsibility Policy of the Company from time to time.

The details of the Corporate Social Responsibility Policy of the Company have also been disclosed in the Directors' Report section of the Annual Report. The composition of the committee is as under:



Name	Category	Number of meetings during the financial year 2019-20	
		Held	Attended
Mr. Rajeev Khemka	Executive	02	02
Mr. Sanjeev Khemka	Executive	02	02
Mr. Sunil Bansal	Independent, Non-Executive	02	02

During the year, two meetings of the CSR committee was held on 27<sup>th</sup> May, 2019 and 27<sup>th</sup> March 2020. Mr. Rajeev Khemka was designated as the Chairman of the Committee.

**Key Responsibilities of the CSR Committee:**

- Formulate, monitor and recommend to the Board CSR Policy and the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities undertaken.
- Review the Company s performance in the area of CSR.
- Evaluate the social impact of the Company s CSR activities.
- Review the Company s disclosure of CSR matters, including any annual social responsibility report.
- Review the CSR Report, with the Management, before submission to the Board for approval.
- Establish a monitoring mechanism to ensure that the funds contributed by the Company are spent for the intended purpose only.

**EXECUTIVE COMMITTEE**

The Board of Directors of the company has constituted a Committee namely “Executive Committee” on a Board Meeting held on 13<sup>th</sup> June 2017, who will decide and carry the routine activities of the day to day business and the role of the Executive Committee is to expeditiously decide business matters of routine nature and implementation of strategic decisions of the Board. The Committee functions within the approved framework and directions of the Board. The Committee also performs other activities as per the terms of reference of the Board. The Committee comprises 4 (four) Executive Directors. The Company Secretary of the Company acts as Secretary to the Executive Committee. The Composition of Executive Committee as on 31st March, 2020 is given below:

Name of Member	Designation	Meetings Held	Meeting Attended
Rajeev Khemka	Chairman	7	7
Sanjeev Khemka	Member	7	7
Ashish Khemka	Member	7	7
Deeptanshu Khemka	Member	7	7

**4. General body meetings**

**a) General meeting**

6. Details of Last three Annual general meeting is as follows:



<b>Financial year</b>	<b>Venue</b>	<b>Date &amp; Time</b>	<b>Special Resolutions Passed</b>
2016-17	E-292, Sarita Vihar, New Delhi-110044	28.09.2017, 01.00 P.M	Nil
2017-18	E-292, Sarita Vihar, New Delhi-110044	29.09.2018, 01.00 P.M	Nil
2018-19	E-292, Sarita Vihar, New Delhi-110044	30.09.2019, 01.00 P.M	Nil

7. Extraordinary general meeting:

No extraordinary general meeting of the members was held during the year 2019-20.

**b. Details of special resolution passed through postal ballot, the persons who conducted the postal ballot exercise and details of the voting pattern.**

During the year under review, no special resolution has been passed through the exercise of postal ballot. None of the items to be transacted at the ensuing meeting is required to be passed by postal ballot.

**5. Disclosures :**

**Related Party Transactions**

None of the transactions with any of the related parties were in conflict with the interest of the Company.

- (i) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by the stock exchanges or the securities and exchange board of India or any statutory authority, on any matter related to capital markets, during the last three years 2016-17, 2017-18 and 2018-19 respectively. However there was delay in publication of the quarterly results and submission of LRR with the Stock Exchange on account of changes in the accounting procedures and implementation of IND AS on the listed companies.
- (ii) The Company has not adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the chairman of the audit committee.
- (iii) The Company has fulfilled all the mandatory requirements as prescribed in Annexure XII to the Clause 49 of the Listing Agreements entered into with the Stock Exchanges except with delay in publication of quarterly results and submission to the same with the stock exchange.

**6. Means of Communication**

**a. Quarterly Results:**



The Company publishes limited reviewed un-audited standalone financial results on a quarterly basis. In respect of the fourth quarter, the Company publishes the audited financial results for the complete financial year.

**B Newspapers wherein results normally published:**

The quarterly/ half-yearly/ annual financial results are published in English and Hindi.

**7. General shareholder information**

Date, Time and Venue of Shareholder's Meeting	Meeting : Annual General Meeting Day & Date : 30th Wednesday, September, 2020 Time : 04:00 P.M Venue : E-292, Sarita Vihar, New Delhi-110044
Financial Year	2019-20
Record Date	23 <sup>rd</sup> September 2020
Registered office	E-292, Sarita Vihar, New Delhi-110044, Website: www.kcl.co.in
CIN	L74899DL1983PLC068008
Listing on Stock Exchanges	Metropolitan Stock Exchange of India Limited Vibgyor Towers, 4th Floor, Plot No C-62, Opp. Trident Hotel Bandra Kurla Complex, Bandra (E), Mumbai – 400098, Trading Symbol: KCLL. The Listing fees for the financial year 2017-18 have been paid by the Company within the stipulated time.
ISIN	INE061C01010
Registrar and Share Transfer Agent	BEETAL HOUSE, 3rd Floor,99, Madangir, behind LSC, New Delhi – 110062, Ph. 011- 29961281-283 Fax 011-29961284

**Share Transfer System**

Presently, the share transfers which are received in physical form are processed and the share certificates are returned within a period of 7 days from the date of receipt, subject to the documents being valid and complete in all respects. The Board has delegated the authority for approving transfer, transmission etc. of the Company's securities to the Shareholders' Grievance Committee. The Company obtains from a Company Secretary in Practice, half yearly certificate of compliance with the share transfer formalities as required under Regulations 40 of SEBI (LODR) Regulations



1. Shareholding as on March 31, 2020:

●Distribution of equity shareholding as on March 31, 2020:

Sl. No	Category	Shareholders		No. of Shares			
		No.	% age of Total Shareholders	Physical form	Electronic form	Total	% age of Total Capital
1	Up to 5000	255	86.15	N/A	N/A	255	86.15
2	5001 to 10000	13	4.39	N/A	N/A	13	4.39
3	10001 to 20000	4	1.35	N/A	N/A	4	1.35
4	20001 to 30000	3	1.01	N/A	N/A	3	1.01
5	30001 to 40000	N/A	N/A	N/A	N/A	N/A	N/A
6	40001 to 50000	N/A	N/A	N/A	N/A	N/A	N/A
7	50001 to 100000	1	0.34	N/A	N/A	1	0.34
8	100001 & Above	20	6.76	N/A	N/A	20	6.76
	<b>Total</b>	<b>296</b>	<b>100</b>				

●Categories of equity shareholders as on March 31, 2020:

Sl. No	Category	Number of equity shares held	Percentage of holding
1.	Promoters	1812110	60.40
2	Mutual Funds	NIL	0
3	Banks/FI	NIL	0
4	Bodies corporate	837400	27.91
5	Individuals	350575	11.69
6	Non Resident Indians	NIL	0
	<b>Total</b>	<b>3000085</b>	<b>100</b>



## **2. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence it is not applicable on the company.

## **12. Plant locations:**

The Company's plant Located at:

- a) Plot No. 275,276,297,298 and 135 Sector-24 Faridabad, Haryana
- b) Plot No. 11B, Udyog vihar, Greater Noida, Uttar Pradesh
- c) Baddi Division, Village Bir Pillasi, Tehsil Nalagarh, Distt. Solan, himachal Pradesh
- d) Bata Mandi, Ponta Sahib, Distt. Sirmour, H.P.
- e) Cheyyar Unit, Plot No. 5 Sipcot Industrial Area, Chayyar, Chennai.
- f) Sri City, 900 Rosewood Drive, Mopurupalli Village, Varadaiahpalm Mandal, Chittoor, Andhra Pradesh.

## **13. Address for correspondence**

Plot No. 297, sector-24, Faridabad, Haryana-121005

## **14. Declaration By The Managing Director Under Schedule V of SEBI (LODR) Regulations, 2015**

In accordance with Schedule V of SEBI (LODR) Regulations with the Stock Exchanges, I hereby confirm that, all the Directors and the senior management personnel of the Company have affirmed Compliance to their respective codes of conduct, as applicable to them for the Financial Year ended 31st March, 2020.

**Date: 31/07/2020**

**Place: New Delhi**

**By the order of the board  
For KCL Limited**

**Sd/-  
Chairman**



**ANNUAL REPORT ON CSR ACTIVITIES****1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:**

The Company's CSR policy is aimed at demonstrating care for the community through its focus on education & skill development, health & wellness and environmental sustainability including biodiversity, energy & water conservation. Also embedded in this objective is support to the disadvantaged/marginalized cross section of the society by providing opportunities to improve their quality of life.

**2. The composition of the CSR committee:**

Sl. No.	Name	Designation
01	Mr. Rajeev Khemka	Chairman
02	Mr. Sanjeev Khemka	Member
03	Mr. Sunil Bansal	Member

**3. Average net profit of the company for last three financial years for the purpose of computation of CSR - Rs.7.96 Cr.****4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.15.92 Lacs****5. Details of CSR spent during the financial year:**

- (a) Total amount to be spent for the financial year as per Section 135 of the Companies act 2013: **Rs.15.92 Lacs**
- (b) Amount unspent: **Nil**
- (c) Manner in which the amount spent during the financial year: **Attached**

**6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report. *Not Applicable as the Company Spent more than the desired amount.*****7. A responsibility statement of the CSR committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company.**

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

SD/-  
(Rajeev Khemka)  
Chairman CSR Committee

SD/-  
(Sanjeev Khemka)  
Member CSR, Committee



**Point 5(c): Manner in which the amount spent during the financial year is detailed below:**

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programmes (Local area or other)	Amount outlay (Budget) project or programs wise (Rs)	Amount Spent on the projects or programmes Sub Heads	Cumulative expenditure upto the reporting period (Rs)	Amount Spent: Direct or through implementing agency
1	SHRI MADHAV JAN SEWA NAYS (REGD)	Paid for CSR Contribution Towards Setting Up Of a Library Within the Sewa Sadhna Kendra	SAMALKHA	10,00,000 /	Direct Expenditure	10,00,000/-	Direct
2	Khemka Charitable Trust	Charitable Activities	Faridabad	16,95,000 /-	Direct Expenditure	16,95,000/-	Direct

**SD/-  
(Rajeev Khemka)  
Chairman CSR Committee**

**SD/-  
(Sanjeev Khemka)  
Member CSR, Committee**



'Annexure VI'

**Information of Particulars of employees pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

S.NO.	PARTICULARS	REMARKS				
1.	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	NIL				
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	NIL				
3	The percentage increase in the median remuneration of employees in the financial year	NIL				
4	The number of permanent employees on the rolls of company	250 approx				
5	The explanation on the relationship between average increase in remuneration and company performance	No increase in Remuneration				
6	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company	Nil				
7	Variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year	<p><b>Net Worth:</b></p> <table border="1"> <tr> <td>FY 2018-19</td> <td>89,07,27,749</td> </tr> <tr> <td>FY 2019-20</td> <td>94,23,00,241</td> </tr> </table>	FY 2018-19	89,07,27,749	FY 2019-20	94,23,00,241
FY 2018-19	89,07,27,749					
FY 2019-20	94,23,00,241					
8	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial	NIL				



	remuneration	
<b>9</b>	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	<b>NIL</b>
<b>10</b>	The key parameters for any variable component of remuneration availed by the directors	<b>NIL</b>
<b>11</b>	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	<b>NIL</b>
<b>12</b>	Affirmation that the remuneration is as per the remuneration policy of the company	<b>YES</b>

**For & on behalf of Board**

**M/s KCL Limited**

**SD/-**

**Mr. Rajeev Khemka**

**Director**

**SD/-**

**Mr. Ashish Khemka**

**Director**



## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **a) Industry Structure and Development:**

Packaging is an ever growing industrial sector in our country. On account of development in infrastructure, manufacturing, agriculture, service sector and change in life style of the people, the growth in packaging industry has also shown a fast growth. Nowadays the modern retailing channels such as supermarkets and hypermarkets is the main driver towards shifting to packaged goods. As these modern retail outlets are better equipped to showcase packaged products compared to India's traditional retail outlets, the role of packaging in influencing purchasing decisions in-store is greatly increasing and this has made packaging an even more important marketing tool than ever before. Demand for packaging of different types continued to rise in India, out of which Paper-based packaging materials are behind some of the most groundbreaking developments in the industry today. Paper and paper-based packaging is the largest sector in the worldwide market for packaging the products like Electrical & Electronic appliances, medicines, cosmetics, automobiles etc. Similarly food products more particularly healthy food & Breakfast cereals have shown a very significant growth through the retail market channels as such food products also having good market potentiality.

### **b) Opportunities and threats:**

KCL Limited is one of the leading and largest companies in Paper Packaging and Printing Industry in the Northern India. It has provided remarkable packaging solutions to a wide range of industry like: consumer durables, white goods, FMC, apparel and footwear, fresh produce, engineering and auto components, etc.

We believe that the following aspects of our business will help us to sustain our growth and grow even faster in the times to come,

- Packaging solution to the larger clients.
- Modern and latest packaging & food processing machineries.
- A range of healthy food products under the brand name "MURGINNS",

Even with the consistent growth of packaging, printing & food industry, there are still some difficulties faced by this industry;

- Rise in Input costs
- Lack of proper distribution channel
- More marketing moving online
- Competition with substitute forms of packaging international quality
- Rapidly changing technology in printing & packaging industry
- Very difficult to change taste of food products used by the customers

### **c) Segment wise Performance:**

Company operations are focused in two primary Business Segments;

1. Packaging Products: Engaged in manufacturing of Corrugated boxes, Duplex boards & Printed Cartons situated at different locations.

2. Food Products: Engaged in manufacturing of Food products (Wafer sticks & Extruded cereals products & ready to use bakery products).



The Packaging products have major contribution towards total Revenue. However the food products are also picking up in the market.

**d) Risk and Concerns:**

Huge investment on automatized machinery and R&D setup  
Competitive prices  
Adoption of latest quality processes and supply chains  
Food Products is a new Fine, which need more Publicity and Marketing.

**e) Future Outlook:**

- The future of the packaging market is certainly looking bright. Packaging is believed to be the key method of communicating the value added benefits of a product to the consumers.
- Packaging product has regular demand from our existing clients and new customers have aim shown their interest in our products on latest Corrugated/Printing Machinery and locational benefits for supply to southern parts of the country.
- Food products have made tied with big brands like: Heinz, Nestle, Cadbury, Reliance etc, to manufacture their products in their brand name.

**f) Internal control systems and their adequacy:**

The audit committee periodically reviews internal control system, which are designated to ensure that the over head levels are reduced to the minimum.

The Company's internal financial control systems are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The audit committee deliberated with the members of the management, considered the systems as laid down and met the statutory auditors to ascertain, inter alia, their views on the internal financial control systems. The audit committee satisfied itself of the adequacy and effectiveness of the internal financial control system as laid down and kept the board of directors informed.

**g) Human resources/ industrial relations and Employee Base:**

The company, with total employee strength of 550 approx as of yearend 2019-20, continues to accord high priority to human resource development. The human resource (HR) strategy is focused on creating a performance-driven environment in the Company, where innovation is encouraged, performance is recognized and employees are motivated to realize their potential.

HR is the core of the Company, influencing change, building culture and capabilities. The HR processes are continuously evolving and aligning with the changing business requirements. HR is structured into the specialized business units to enable



them respond better to the needs of their customers and get more strategic advantage. The HR organization is equipped with multicultural leaders capable to handle tremendous volatility in the economic, regulatory and cultural sphere around the world.

**h) Discussion on financial performance with respect to operational performance:**

The Key features of the Company's Financial performance for the year ended 31st March, 2020 are presented in the Financial statements, which have been prepared in accordance with the provisions of the Companies Act, 2013 and accounting principles generally accepted in India, and in compliance with the accounting standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent applicable.

**i) Cautionary Statements**

Statements made in this report forming part of the disclosure related to management, discussion and analysis describing the company's objectives, projections, estimates and expectations maybe forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ material from those expressed or implied. Important factors that could influence the company's operations include economic developments within the country, demand and supply conditions in the industry, input prices, finance costs, changes in government regulations, tax laws and other factors such as industrial relations.

**j) Acknowledgement**

The directors of the company wish to express their appreciation for the continued co-operation of the central and state governments, bankers, financial institutions, customers, dealers and suppliers and all the valuable assistance received from the shareholders. The directors also wish to thank all the employees of the company for their contribution, support and continued co-operation throughout the year.



**ROHID BAID & CO.**  
CHARTERED ACCOUNTANTS

2B/49, N.I.T.  
FARIDABAD-121001  
Ph.: 09953450129  
E-mail: rohitbaid03@gmail.com

**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF KCL LIMITED**  
**Report on the Audit of the Financial Statements**

**Opinion**

1. We have audited the accompanying financial statements of KCL LIMITED (the 'Company'), which comprise the Balance Sheet as at 31 March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, of the state of affairs (financial position) of the Company as at 31 March 2020, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date

**Basis for Opinion**

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





**Emphasis of Matter**

4. We draw attention to Note 38.5 on the statement which describes the uncertainties and the impact of COVID-19 pandemic on the company’s business operations and results as assessed by the management. Due to Covid-19 related lock down restrictions, management could not perform year-end physical verification of inventories at various locations. Further, our attendance at physical inventories verification done by the management subsequently was impracticable under the lock-down restrictions imposed by the government. Consequently, we have performed alternative audit procedures to obtain comfort over the existence and condition of inventory at the year-end as per the Guidance provided by the Standard on Auditing (SA) 501, Audit Evidence - Specific Considerations for Selected items, and have obtained sufficient appropriate audit evidence.

Our opinion is not modified in respect of this matter.

**Key Audit Matters**

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone 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
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	how our audit addressed the key audit matter
<p>Refer Note 12.1 of Notes on Financial Statements, Time period of Loans given to related parties is not defined / available, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial Instruments".</p> <p>Considering the materiality of the amounts involved, the significant management judgement required in estimating the recovery of loan and such estimates and judgements being inherently subjective, this matter has been identified as a key audit matter for the current year audit.</p>	<p>-Obtained an understanding of management’s assessed cash flow forecasts to ensure consistency with current operations of the Company and performed sensitivity analysis on key assumptions used in management’s calculated recoverable value.</p> <p>-Based on our procedures, we considered that the adequacy of disclosures in respect of said loans are not as per the provisions of Ind AS 109 - "Financial Instruments".</p>





### **Information other than the financial statements and Auditor's Report thereon**

7. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information 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.

### **Responsibilities of Management and Those Charged with Governance for the standalone financial statements**

8. 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 standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error
9. 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.





10. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditors' Responsibility for the audit of the Financial Statements**

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit





evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
13. 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.
  14. 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.
  15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

16. As required by Section 197(16) of the Act, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under Section 197 read with Schedule V to the Act
17. As required by the Companies (Auditor's Report) Order, 2016 (the 'Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
18. Further to our comments in Annexure A, 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, Statement of Profit and Loss and the Statement of Cash Flow and Statement of changes in equity dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) on the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
- g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements as referred to in Note No.38.1, 38.7 & 38.8 to the Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

**For ROHIT BAID & CO.**  
**Chartered Accountants**  
**(Firm Registration No. 031122N)**



**CA ROHIT BAID**  
**Proprietor**

**Membership No. 535947**  
**UDIN - 20535947AAAAAE1446**

**Place: Faridabad**  
**Date: 31.07.2020**

## ANNEXURE A TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE TO THE MEMBERS OF KCL LIMITED

(Referred to in paragraph 16 under the heading of "Report on other legal and regulatory requirements" of our Independent Auditors' report to the members of KCL LIMITED the Ind AS financial statements for the year ended 31 March 2020, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the management has physically verified its fixed assets at reasonable intervals during the year and no material discrepancy was noticed on such 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 title deeds of immovable properties are held in the name of the Company except as reported in note 38.1 of notes on financial statements.

- ii. We have been explained by the management that the inventory have been physically verified at reasonable intervals during the year. As far as we could ascertain and according to information and explanations given to us, no material discrepancies were noticed between the physical stock and the book records. (Refer Note 38.5 to the financial statements and our observations under paragraph Emphasis of Matters of our main report).

- iii. The Company has granted unsecured loans, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.

(a) *On the basis of information & explanations given to us and based on our verification, we are of the opinion that the terms and conditions of granting of loans are prejudicial to the company's interest on account of granting such loans as interest free to the parties covered under section 189 of the Companies Act, 2013, having outstanding balance of Rs. 988.40 Lakhs as at 31.03.2020.*

(b) *There is no pre-determined schedule for repayment of principal amount of such loans; however, as explained to us by the management of company, such loans are repayable on demand.*





- (c) *Since there is no pre-determined schedule for repayment of granting such interest free loans and therefore, we are unable to make any specific comment on the amount overdue, if any.*
- iv. *During the year under review the company has outstanding loans / advances to the persons in whom the director is interested and at the close of year 31.03.2020 an amount of Rs.988.40 Lakhs was outstanding against such loans / advances and therefore we are of the opinion that provisions of Section 185 of the Companies Act, 2013, has not been complied with by the company and so far as the provisions of Section 186 of the Companies Act, 2013, has been concerned, it is not applicable on the company.*
- v. The Company has not accepted any deposit from the public, therefore provisions of Section 73 to 76 or any other relevant provisions of the companies Act, 2013 are not applicable to the Company.
- vi. The Central Government has prescribed the maintenance of cost records under section 148(1) of the Act, for the activity conducted by the Company and we are of the opinion that prima facie the prescribed accounts and records have been maintained. However we have not made detailed examination of such accounts and records.
- 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 provident fund, employees' state Insurance, income tax, sales tax, goods & service tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues with the appropriate authorities to the extent applicable and further, there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March 2020.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loan or borrowing to any banks. The Company has not obtained any loans from debenture holders, financial institution and government.





- ix. According to the information and explanations given to us, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. The term loans have been applied for the purpose for which they were raised.
- x. During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management
- xi. According to the information and explanation given to us and based on our examination of the records of the company, the company has paid or provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, this clause is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the record of the company, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the requirement of Section 42 of the Companies Act, 2013 are not applicable.
- xv. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and therefore, the provisions of Section 192 of Companies Act, 2013 are not applicable to the company.







- xvi. The company is not a Non-Banking Financial Company (NBFC) and therefore registration requirement under section 45-IA of the Reserve Bank of India Act, 1934, is not applicable to the company.

**For ROHIT BAID & CO.**  
**Chartered Accountants**  
**(Firm Registration No. 031122N)**



**CA ROHIT BAID**  
**Proprietor**  
**Membership No. 535947**

**Place: Faridabad**  
**Date: 31.07.2020**



## **ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE IND AS FINANCIAL STATEMENTS OF KCL LIMITED**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) as referred to in paragraph 17(f) of ‘Report on Other Legal and Regulatory Requirements’ section**

We have audited the internal financial controls over financial reporting of **KCL LIMITED** (“the Company”) as of March 31, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal



financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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





## Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

**For ROHIT BAID & CO.**  
**Chartered Accountants**  
**(Firm Registration No. 031122N)**

**CA ROHIT BAID**  
**Proprietor**  
**Membership No. 535947**



**Place: Faridabad**  
**Date: 31.07.2020**

**KCL LIMITED**

CIN-L74899DL1983PLC068008

Balance Sheet as at 31ST March 2020

Amount in Rs



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Particulars	Note No.	As at	As at
		31-Mar-2020 IND AS	31-Mar-2019 IND AS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	1,035,398,613	1,030,266,470
Capital work-in-progress	3	25,210,730	145,860,690
Intangible assets	3	255,046	477,551
<b>Financial Assets</b>			
i Investments	4	5,362,380	5,611,480
ii Other financial assets	5	11,283,710	10,083,710
Deferred Tax Assets (net)	6	-	-
Other non-current assets	7	2,091,471	711,271
<b>Total Non-Current Assets</b>		<b>1,079,601,950</b>	<b>1,193,011,172</b>
<b>Current Assets</b>			
Inventories	8	219,249,994	239,458,561
<b>Financial Assets</b>			
i Trade receivables	9	472,906,114	432,202,398
ii Cash and cash equivalents	10	11,497,485	5,673,453
iii Bank balances other than (ii) above	11	5,222,509	747,594
iv Loans	12	106,993,889	104,137,102
Current Tax Assets (Net)	13	5,545,642	1,744,287
Other current assets	14	102,147,578	109,909,202
<b>Total Current Assets</b>		<b>923,563,211</b>	<b>893,872,597</b>
<b>Total Assets</b>		<b>2,003,165,161</b>	<b>2,086,883,769</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	15	30,000,850	30,000,850
Other Equity	16	912,299,391	860,726,399
<b>Total Equity</b>		<b>942,300,241</b>	<b>890,727,249</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	17	276,250,561	422,565,408
Other Financial Liabilities	18	2,515,681	-
Provisions	19	2,941,018	2,373,454
Deferred Tax Liabilities (Net)	20	33,466,500	21,657,200
Other Non-Current Liabilities	21	-	12,845,285
<b>Total Non-Current Liabilities</b>		<b>315,173,760</b>	<b>459,441,347</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
i Borrowings	22	105,629,520	107,324,755
ii Trade Payables	23	-	421,004
Micro & Small Enterprises			
Others		483,421,247	477,640,426
iii Other financial liabilities	24	154,422,254	142,531,633
Other Current Liabilities	25	1,749,884	8,378,458
Provisions	26	468,255	418,897
<b>Total Current Liabilities</b>		<b>745,691,160</b>	<b>736,715,173</b>
<b>Total Liabilities</b>		<b>1,060,864,920</b>	<b>1,196,156,520</b>
<b>Total Equity and Liabilities</b>		<b>2,003,165,161</b>	<b>2,086,883,769</b>

Significant Accounting Policies 2

Notes to Accounts 1-46

Accompanying Notes are an integral part of the financial statements

As per our report of even date attached

For ROHIT BAID &amp; CO.

(CHARTERED ACCOUNTANTS)

FRN No.031122N

(CA ROHIT BAID)  
PROPRIETOR  
M.NO.535947  
Place : Faridabad  
Date: 31.07.2020



RAJEEV KHEMKA  
(Director)  
DIN No 00103260

SANJEEV KHEMKA  
( Director)  
DIN No 00103295

For and on behalf of the Board

ASHISH KHEMKA  
(Director)  
DIN No 00103321

AMRIT AGGARWAL  
(Company Secretary)

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Statement of Profit & Loss for the period ended 31ST March, 2020

Particulars	Note No.	Amount in Rs	
		Year Ended 31-Mar-2020	Year Ended 31-Mar-2019
<b>INCOME</b>			
Revenue from Operations	27	3,340,238,806	2,969,138,763
Less : GST Recovered		395,114,940	353,768,285
		<u>2,945,123,866</u>	<u>2,615,370,478</u>
Other Income	28	2,804,570	3,266,072
<b>Total Revenue</b>		<u><b>2,947,928,436</b></u>	<u><b>2,618,636,550</b></u>
<b>EXPENSES</b>			
(a) Cost of Materials Consumed	29	1,872,768,045	1,720,049,142
(b) Changes in Inventories of Finished Goods & Work-in-	30	36,539,524	(6,686,321)
(c) Excise Duty / Service Tax		705,859	385,008
(d) Employee Benefits Expense	31	266,730,580	249,557,959
(e) Finance Costs	32	56,790,318	50,757,971
(f) Depreciation and Amortization Expenses	33	167,709,067	126,050,828
(g) Other Expenses	34	482,100,710	435,647,774
<b>Total Expenses</b>		<u><b>2,883,344,103</b></u>	<u><b>2,575,762,361</b></u>
<b>Profit before tax</b>		<b>64,584,333</b>	<b>42,874,189</b>
<b>Tax expense:</b>			
Current Tax		10,680,000	9,110,000
Mat Credit Entitlement		(10,680,000)	(9,110,000)
Income Tax related to earlier years		39,560	1,995
Deferred Tax Adjustment		11,809,300	5,583,900
<b>Total Tax Expenses</b>		<u><b>11,848,860</b></u>	<u><b>5,585,895</b></u>
<b>Profit for the year</b>		<b>52,735,473</b>	<b>37,288,294</b>
<b>Other Comprehensive Income/(Expense)</b>			
<b>(A) Items that will not be reclassified to profit or loss</b>			
(i) Remeasurement of investment at fair value		(249,100)	33,125
(ii) Remeasurement of net defined benefit plans		(913,381)	718,479
Income tax relating to items that will not be reclassified to profit or loss		-	-
<b>(B) Items that will be reclassified to profit or loss</b>			
Income tax relating to items that will be reclassified to profit or loss		-	-
<b>Total Comprehensive Income for the year</b>		<u><b>51,572,992</b></u>	<u><b>38,039,898</b></u>
<b>Earnings per Equity Share of face value of Rs.10/- each</b>			
Basic		<b>17.19</b>	<b>12.68</b>
Diluted		<b>17.19</b>	<b>12.68</b>

Significant Accounting Policies 2

Notes to Accounts 1-46

Accompanying Notes are an integral part of the financial statements

As per our report of even date attached

For ROHIT BAID & CO.

(CHARTERED ACCOUNTANTS)

FRN No.031122N

For and on behalf of the Board

(CA ROHIT BAID)

PROPRIETOR

M.NO.535947

Place : Faridabad

Date: 31.07.2020



RAJEEV KHEMKA

(Director)

DIN No 00103260

SANJEEV KHEMKA

(Director)

DIN No 00103295

ASHISH KHEMKA

(Director)

DIN No 00103321

AMIT AGGARWAL

(Company Secretary)



**KCL LIMITED**  
**CIN-L74899DL1983PLC068008**  
**Cash Flow Statement for the year 2019-20**

Particulars	Amount in Rs.	
	For the year ended 31 st March, 2020	For the year ended 31 st March, 2019
<b>Cash Flow from Operating Activities</b>		
Net Profit before Tax	64,584,333	42,874,189
<i>Add</i>		
Loss on sales of fixed assets	316,601	-
Depreciation and Amortisation	167,709,067	126,050,828
Provision for Gratuity & Leave Encashment	1,154,597	(379,558)
Finance Costs	56,790,318	50,757,971
<i>less</i>		
Profit on Sale of Assets	-	(167,975)
Interest Income	(553,300)	(428,032)
Operating Profit before Working Capital changes	290,001,616	218,707,423
<i>Changes in Working Capital:</i>		
<i>Adjustments for (increase) / decrease in Operating Assets:</i>		
Inventories	20,208,567	(21,525,221)
Trade Receivables	(40,703,716)	(93,882,931)
Loans-current	(2,856,787)	(1,519,253)
Bank balance other than cash and cash equivalents	(4,474,915)	(372,080)
Other current assets	16,990,568	(13,840,319)
Other financial assets	(1,200,000)	(1,400,667)
Other Non Current Assets	-	-
<i>Adjustments for increase / (decrease) in Operating Liabilities:</i>		
Trade Payables	5,359,817	119,622,397
Other financial liabilities	11,890,621	2,734,974
Other Current Liabilities	(6,628,574)	4,758,970
Other Non current liabilities	-	-
Cash generated from Operations	288,587,197	213,283,293
Income Tax Paid (Net of Refunds)	(14,520,915)	(10,202,820)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>274,066,282</b>	<b>203,080,473</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchases of Property, Plant and Equipment & Intangible Assets [including	(45,542,049)	(222,602,352)
Advance for capex	(1,380,200)	19,230,177
Creditor for capex	(12,845,285)	(5,425,825)
Increase in Investment	(6,918,297)	452,347
Increase/decrease in Long Term Capital Advances		
Proceeds from Sale of Fixed Assets	175,000	1,769,548
Interest Received	553,300	428,032
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>(65,957,531)</b>	<b>(206,148,073)</b>





<b>C. Cash flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	(146,314,847)	57,863,309
Net Increase / (decrease) in Working Capital Borrowings	(1,695,235)	(616,152)
Other Financial Liabilities	2,515,681	
Interest Paid	(56,790,318)	(50,757,971)
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>(202,284,719)</b>	<b>6,489,186</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>5,824,032</b>	<b>3,421,586</b>
Cash and Cash Equivalents at the beginning of the year	5,673,453	2,251,867
<b>Cash and Cash Equivalents at the end of the year</b>	<b>11,497,485</b>	<b>5,673,453</b>
Cash and Cash Equivalent consists of cash in hand and balances with banks. Cash and cash equivalents included in the cash flow statement comprise of following balance sheet amount as per note no.10.		
Cash and Cash Equivalents at the end of the year		
* Comprises:		
(a) Cash on hand	1,013,893	916,333
(b) Balances with Banks		
(i) In Current Accounts	10,418,740	4,697,002
(ii) In Fixed Deposits	64,852	60,118
	<b>11,497,485</b>	<b>5,673,453</b>

Accompanying Notes are an integral part of the financial statements

As per our report of even date attached

For ROHIT BAID & CO.

(CHARTERED ACCOUNTANTS)

FRN No.031122N

*Rohit*



(CA ROHIT BAID)  
PROPRIETOR  
M.NO.535947  
Place : Faridabad  
Date: 31.07.2020

For and on behalf of the Board

*Rajeev Khemka*  
**RAJEEV KHEMKA**  
(Director)  
DIN No 00103260

*Sanjeev Khemka*  
**SANJEEV KHEMKA**  
( Director)  
DIN No 00103295

*Ashish Khemka*  
**ASHISH KHEMKA**  
(Director)  
DIN No 00103321

*Amit Aggarwal*  
**AMIT AGGARWAL**  
(Company Secretary)



# KCL LIMITED

## Statement of Changes in Equity for the year ended 31st March, 2020

### A. Equity Share Capital

	No. of Shares	Amount in Rs
As at 1st April, 2018	3,000,085	-
Changes in equity share capital during the year	-	-
As at 31st March, 2019	3,000,085	-
Changes in equity share capital during the year	-	-
As at 31st March, 2020	3,000,085	-

### B. Other Equity

Particulars	Reserves and Surplus				Total
	Capital Reserve	Security Premium Account	General Reserve	Retained Earnings & Other Comprehensive Income	
As at 1st April, 2018	10,713,772	24,901,400	670,324,176	116,543,898	822,483,246
Profits for the year	-	-	-	37,288,294	37,288,294
Amount transferred to General Reserve	-	-	20,000,000	(20,000,000)	-
Other comprehensive income for the year	-	-	-	954,859	954,859
Total comprehensive income for the year	-	-	-	38,243,153	38,243,153
As at 31st March, 2019	10,713,772	24,901,400	690,324,176	134,787,051	860,726,399
Profits for the year	-	-	-	52,735,473	52,735,473
Amount transferred to General Reserve	-	-	20,000,000	(20,000,000)	-
Other comprehensive income for the year	-	-	-	(1,162,481)	(1,162,481)
Total comprehensive income for the year	-	-	-	51,572,992	51,572,992
As at 31st March, 2020	10,713,772	24,901,400	710,324,176	166,360,043	912,299,391

As per our report of even date attached

For ROHIT BAID & CO.  
(CHARTERED ACCOUNTANTS)  
FRN No.031122N

*Rohit*

(CA ROHIT BAID)  
PROPRIETOR  
M.NO.535947  
Place : Faridabad  
Date: 31.07.2020



*Rajeev Khemka*  
RAJEEV KHEMKA  
(Director)  
JIN No 00103260

For and on behalf of the Board

*Sanjeev Khemka*

SANJEEV KHEMKA  
(Director)  
DIN No 00103295

*Ashish Khemka*

ASHISH KHEMKA  
(Director)  
DIN No 00103321

*Amit Aggarwal*

AMIT AGGARWAL  
(Company Secretary)



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 1 COMPANY INFORMATION

KCL LIMITED (the 'Company') is a domestic public limited company with Registered office situated at E-292, Sarita Vihar, New Delhi-110044 and is listed on Metropolitan Stock Exchange of India Limited (MSEI). The company is one of the leading manufacturer of Corrugated Boards & Boxes and Healthcare Food Products. It has Manufacturing Facilities at Faridabad, Greater Noida (U.P.), Baddi and Paonta Sahib (H.P.), Chayyar (Tamil Nadu) & Sricity (A.P.). The products are supplied to reputed buyers in the field of FMCG products, Auto Sector & Food Industries. Most of the marketing and commercial activities are handled directly by the company from its Corporate office situated at Faridabad.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### 2.1 Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

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.

#### Historical Cost Convention

The financial statements have been prepared on a historical cost basis, except for the following:

- 1) certain financial assets and liabilities that are measured at fair value;
- 2) defined benefit plans - plan assets measured at fair value.

#### 2.2 Use of Estimates

The estimates and judgments used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

#### 2.3 Classification of Assets and Liabilities

Schedule III to the Companies Act, 2013 requires assets and liabilities to be classified as either Current or Non-current.

- (a) An asset shall be classified as current when it satisfies any of the following criteria:
- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
  - (ii) it is held primarily for the purpose of being traded;
  - (iii) it is expected to be realized within twelve months after the reporting date; or
  - (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
- (b) All assets other than current assets shall be classified as non-current.
- (c) A liability shall be classified as current when it satisfies any of the following criteria:
- (i) it is expected to be settled in the Company's normal operating cycle;
  - (ii) it is held primarily for the purpose of being traded;
  - (iii) it is due to be settled within twelve months after the reporting date; or
  - (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- (d) All liabilities other than current liabilities shall be classified as non-current.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 2.4 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or Non-current classification of assets and liabilities.

### 2.5 Inventories

Raw Material, Work-in-Process, Finished goods are valued at lower of cost and net realisable value, after providing for cost of obsolescence and other anticipated losses, wherever considered necessary. Cost is computed on the weighted average basis and is net of recoverable taxes, where as Stores and Spares parts are valued at cost on basis of FIFO method. Finished Goods, Work in Process includes cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

### 2.6 Property, Plant and Equipment

#### Tangible Assets

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised 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.

Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss.

Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress".

Depreciation is provided on a pro-rata basis on the W.D.V method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

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. For new projects, for direct expenses and direct overheads including interest on Borrowed funds for the acquisition of Assets are capitalized till the assets are ready for intended use.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2016.

#### Intangible Assets

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful lives. Estimated useful life by major class of finite-life intangible asset is as follows:

Computer software - 3 years

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively, if appropriate.

### 2.7 Borrowing Cost

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of Assets. Qualifying Asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are treated as period cost and charged to the statement of profit and loss in the year in which it was incurred.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 2.8 Impairment of non-financial assets

The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called cash generating units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.

### 2.9 Revenue Recognition

The Company generally follows Mercantile System of Accounting and recognises significant items of income and expenditure on accrual basis except claims those with significant uncertainties e.g insurance claims which are accounted for on cash basis.

Revenue from the sale of goods is recognized when the significant risks and rewards of ownership of the goods are transferred to the customers and is stated inclusive of excise duty, sales tax & GST. Revenue from the sale of goods is stated at net after adjusting the returns, rebates & discounts.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### 2.10 Foreign Exchange Transaction

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transactions.

Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Any profit or loss arising on cancellation or renewal of forward exchange contracts are recognized as income or as expenses for the year.

Non-monetary items are carried at cost.

Any income or expense on account of exchange difference either on settlement or on translation is recognized and is reflected separately in the Statement of Profit & Loss.

### 2.11 Excise Duty :

Excise duty has been accounted on the basis of both payments made in respect of goods cleared and also provision made for goods lying in bonded warehouse

After Implementation of Goods & Service Tax Act w.e.f. 01.07.2017, the provisions of GST are applicable and accordingly the books of accounts have been prepared.

### 2.12 Government Grants

Government grants available to the company are recognised when there is a reasonable assurance to compliance with the conditions attached to such grants and where benefits in respect thereof have been earned and it is reasonably certain that the ultimate collection will be made. Government subsidy in the nature promoters' contribution is credited to capital reserve. Government subsidy for specific asset is reduced from cost of the said asset.

### 2.13 Employees Benefits :-

#### Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits and the undiscounted amount of such employee benefits are recognised in Statement of Profit and Loss in the period in which the employee renders the related services. These benefits include salaries, wages, bonus, performance incentives etc.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### Defined Benefit Plan

Gratuity and long-term compensated absences are provided for based on actuarial valuation carried out at the close of each period. The actuarial valuation is done by an Independent Actuary as per projected unit credit method.

For defined benefit plans, the amount recognised as 'Employee benefit expenses' in the Statement of Profit and Loss is the cost of accruing employee benefits promised to employees over the year and the costs of individual events such as past/future service benefit changes and settlements (such events are recognised immediately in the Statement of Profit and Loss). The amount of net interest expense calculated by applying the liability discount rate to the net defined benefit liability or asset is charged to 'Employee benefits expense' in the Statement of Profit and Loss. Any differences between the interest income on plan assets and the return actually achieved, and any changes in the liabilities over the year due to changes in actuarial assumptions or experience adjustments within the plans, are recognised immediately in 'Other comprehensive income' and subsequently not reclassified to the Statement of Profit and Loss.

### Defined Contribution Plan

Contributions to defined contribution schemes such as employee state insurance scheme, employee provident fund, superannuation scheme, employee pension scheme etc. are charged as an expense based on the amount of contribution required to be made as and when services are rendered by the employees. Company's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Company has no further defined obligations beyond the monthly contributions.

### 2.14 Cash & Cash Equivalents

Cash and Cash Equivalents comprises cash and cash on deposit with banks. The company considers all highly liquid investment with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

### 2.15 Cash Flow Statement

Cash flows are reported using the indirect method in accordance with Ind AS 7, whereby a profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, financing and investing activities of the Company are segregated.

### 2.16 Tax Expenses

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

#### Current Tax:

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961.

#### Minimum Alternate Tax (MAT) Credit:

Minimum Alternate Tax credit is recognized, as deferred tax asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss Account and shown as MAT Credit Entitlement under Loans & Advances. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### Deferred Tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

### 2.17 Leases

The Company has adopted Ind AS 116-Leases, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application. Accordingly, previous period information has not been restated.

The Company's lease asset classes primarily consist of leases for Land and Buildings. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (shortterm leases) and leases of low value assets. For these shortterm and leases of low value assets, the Company recognises the lease payments as an operating expense on a straightline basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. 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.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### 2.18 Provision and Contingent Liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

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 the obligation or a reliable estimate of the amount cannot be made.



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 2.19 Financial Instruments

#### a). Financial Assets

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 and measured at

- amortised cost
- fair value through profit and loss (FVTPL).

#### Investments in unquoted equity shares of related parties

The Company has accounted for its investments in unquoted equity shares of related parties at cost.

#### Other investments in quoted equity share

All quoted equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

#### Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

The Company measures the expected credit loss associated with its assets based on historical trend, industry practices and the business environment in which the entity operates or any other appropriate basis. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

#### b). Financial Liabilities

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.

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

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

### 2.20 Earnings per Share

Earning Per Share (EPS) is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders by the Weighted Average Number of equity shares outstanding during the period.

For the purpose of calculating Diluted Earning Per share, the Net Profit or Loss for the period attributable to equity shareholders is divided by the Weighted Average Number of shares outstanding during the period after adjusting for the effects of all dilutive potential equity shares.

### 2.21 Miscellaneous Expenditure

Share issue expenses are adjusted from Securities Premium Account at the time of issue of respective Shares.

### 2.22 Derivative financial instruments

Derivative financial instruments such as forward contracts, option contracts and cross currency swaps, to hedge its foreign currency risks are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value with changes in fair value recognised in the Statement of Profit and Loss in the period when they arise.



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Amount in Rs.

### Note 3 Property, Plant & Equipment

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01.04.2019	Additions	Sales / or Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Sales / or Adjustment	As at 31.03.2020	As at 31.03.2019
<b>Owned Assets:</b>									
Land	57,459,122			57,459,122	-			-	57,459,122
Lease hold Land	98,027,396	1,858,069		99,885,465	-			-	98,027,396
Building	414,231,502	4,562,308		418,793,810	162,473,306	23,399,007		185,872,313	232,921,497
Tubewell	878,233			878,233	745,869	12,256		758,125	120,108
Plant & Machinery	1,195,547,877	135,448,657		1,330,996,534	652,738,940	117,138,963		769,877,903	561,118,631
Electric Installations	36,048,620			36,048,620	22,165,802	3,447,571		25,613,373	10,435,247
Moulds & Dies	445,195			445,195	330,790	17,922		348,712	96,483
Testing & Checking	7,769,807	669,134		8,438,941	5,309,850	618,436		5,928,286	2,510,655
Fire Fighting Equipment	7,091,838	3,116,016		10,207,854	2,716,900	1,198,824		3,915,724	6,292,130
Furniture & Fixture	26,795,114	970,231		27,765,345	14,134,986	3,321,190		17,456,176	10,309,169
Computer	18,806,885	640,899		19,447,785	16,582,766	1,127,184		17,709,950	1,737,835
Office Equipments	8,484,282	450,221		8,934,503	6,428,118	750,920		7,179,038	1,755,465
Intercom Systems	4,206,455	201,258		4,407,713	3,439,252	296,176		3,735,428	672,285
Air Conditioner	8,505,597	193,364		8,698,961	6,023,517	615,423		6,638,940	2,060,021
Vehicle	62,590,694	6,867,547		69,458,241	46,507,170	5,685,313		52,192,483	17,265,758
Trucks & Tractors	67,804,407	11,214,305	1,516,103	77,502,609	45,158,624	7,426,732	1,024,502	51,560,854	25,941,755
Material Handling Equipments	1,751,993			1,751,993	1,422,658	124,546		1,547,204	204,789
Temporary Construction	43,728			43,728	43,728			43,728	-
<b>Sub-Total</b>	<b>2,016,488,746</b>	<b>166,192,009</b>	<b>1,516,103</b>	<b>2,181,164,552</b>	<b>986,222,276</b>	<b>165,180,463</b>	<b>1,024,502</b>	<b>1,150,378,237</b>	<b>1,030,786,415</b>
<b>Leased Assets:</b>									
<b>Right-of-Use Assets* :</b>									
Land & Building	-	6,918,297	-	6,918,297	-	2,306,099		2,306,099	4,612,198
<b>Sub-Total</b>	<b>-</b>	<b>6,918,297</b>	<b>-</b>	<b>6,918,297</b>	<b>-</b>	<b>2,306,099</b>	<b>-</b>	<b>2,306,099</b>	<b>4,612,198</b>
<b>Total</b>	<b>2,016,488,746</b>	<b>173,110,306</b>	<b>1,516,103</b>	<b>2,188,082,949</b>	<b>986,222,276</b>	<b>167,486,562</b>	<b>1,024,502</b>	<b>1,152,684,336</b>	<b>1,035,398,613</b>
Previous year	1,745,329,564	275,821,421	4,662,239	2,016,488,746	863,442,940	125,387,655	2,608,319	986,222,276	1,030,266,470

\* During the year under review, the Company has adopted Ind AS 116 using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application. This has resulted in recognising a right-of-use asset of Rs.691,82,97/- and a corresponding lease liability of Rs.691,82,97/-. Accordingly, previous period information has not been restated.





**KCL LIMITED****Notes on Financial Statements for the Year ended 31st March, 2020****Note 3 Property, Plant & Equipment**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2019	Additions	Sales /or Adjustment	As at 31.03.2020	As at 01.04.2019	For the year	Sales / or Adjustment	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
<b>Intangible Assets</b>										
Computer Software	5,744,444	-	-	5,744,444	5,266,893	222,505	-	5,489,398	255,046	477,551
<b>Total</b>	<b>5,744,444</b>	<b>-</b>	<b>-</b>	<b>5,744,444</b>	<b>5,266,893</b>	<b>222,505</b>	<b>-</b>	<b>5,489,398</b>	<b>255,046</b>	<b>477,551</b>
Previous year	5,744,444	-	-	5,744,444	4,603,720	663,173	-	5,266,893	477,551	1,140,724
<b>Capital Work in Progress</b>										
Plant & Machinery	120,649,960	-	120,649,960	-	-	-	-	-	-	120,649,960
Land & Building	25,210,730	-	-	25,210,730	-	-	-	-	25,210,730	25,210,730
<b>Total</b>	<b>145,860,690</b>	<b>-</b>	<b>120,649,960</b>	<b>25,210,730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25,210,730</b>	<b>145,860,690</b>
Previous year	199,079,759	118,670,828	171,889,897	145,860,690	-	-	-	-	145,860,690	199,079,759





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 4 Investments

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Investments measured at Cost</b>		
<b>Unquoted Equity Shares</b>		
i) 42000 Equity Shares of Ginni Packaging Private Limited of Rs.10/- each fully paid up.	422,100	422,100
ii) 490000 Equity shares of M/s KCL Milk Products India Private Limited of Rs.10/- each fully paid up.	4,900,000	4,900,000
<b>Investments measured at Fair Value Through Other Comprehensive Income)</b>		
<b>Quoted Equity Shares</b>		
5300 Equity Shares of M/s Allahabad Bank of Rs.10/- each fully paid up	40,280	289,380
<b>Total</b>	<b>5,362,380</b>	<b>5,611,480</b>

4.1 The company has outstanding investment in equity shares of intra group companies aggregating Rs. 53.22 Lacs as at March 31, 2020, however, net worth of such intra group company has been eroded as per latest audited financial statement available of such company. The Company has not evaluated whether any impairment provision is required for expected credit losses in accordance with Ind AS 109 - "Financial Instruments" due to uncertainty of recovery on disposal of said assets.

### 5 Other Financial Assets

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Security Deposits with government authorities & others	11,283,710	10,083,710
<b>Total</b>	<b>11,283,710</b>	<b>10,083,710</b>

5.1 Time period of Security Deposit with government authorities and others is not defined / available, therefore security deposit is not discounted in accordance with Ind AS 109 - "Financial Instruments".

### 6 Deferred Tax Assets (Net)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	-	-
Fixed Assets	-	-
Others	-	-
<b>Total Deferred Tax Assets</b>		



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 7 Other non-current assets

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Advance for Capital Goods (A)	1,380,200	-
Preoperative Expenses ( subject to allocation ) Brought Forward	711,271	711,271
Addition during the year	-	-
Less : Transferred during the year	-	-
Preoperative Expenses (B)	711,271	711,271
<b>Total (A + B)</b>	<b>2,091,471</b>	<b>711,271</b>

### 8 Inventories

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Raw materials	157,888,117	141,858,434
Work-in-Progress	14,356,737	44,354,725
Finished Goods	28,603,498	35,004,154
Scrap	162,200	303,080
Stores and Spares	18,239,442	17,938,168
Goods In Transit	-	-
<b>Total</b>	<b>219,249,994</b>	<b>239,458,561</b>

\* Inventories have been hypothecated with banks against working capital loans.

### 9 Trade Receivables

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
- Unsecured, Considered Good	467,876,172	428,068,901
- Doubtful	5,029,942	4,133,497
<b>Total</b>	<b>472,906,114</b>	<b>428,068,901</b>

9.1 Trade Receivables have been hypothecated with banks against working capital loans.

9.2 The Company has filed demand notice u/s 8 of The Insolvency and Bankruptcy Code, 2016 ,against four debtors involving amount of Rs.41.33 Lacs for recovery and the matter is pending with NCLT.



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 10 Cash and cash equivalents

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Cash and Cash Equivalents</b>		
Cash in hand (as certified by the management)	1,013,893	916,333
Balances with Banks	-	-
- In Current Accounts	10,418,740	4,697,002
- Fixed Deposits (with Banks)	64,852	60,118
	-	-
<b>Total</b>	<b>11,497,485</b>	<b>5,673,453</b>

### 11 Bank balance other than cash and cash equivalents

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Other Bank Balances</b>		
- In Margin Money Accounts	5,206,760	736,760
- In Employees Group Gratuity Saving Bank Account	15,749	10,834
<b>Total</b>	<b>5,222,509</b>	<b>747,594</b>

### 12 Loans

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Loans to Related Parties</b>		
Unsecured & considered good, unless otherwise stated, as certified by the management		
- Inter Corporate Loans (Refer Note No. 40)	98,840,178	97,358,055
- Others	1,375,028	1,375,028
	-	-
Loans and Advances to Employees	6,778,683	5,404,019
<b>Total</b>	<b>106,993,889</b>	<b>104,137,102</b>

12.1 Time period of Loans to related parties is not defined / available, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial Instruments".

12.2 Time period / recovery period of Loans and Advances to Employees is not defined / available in most of the cases, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial Instruments".





## KCL LIMITED

### Notes on Financial Statements for the Year ended 31st March, 2020

#### 13 Current Tax Assets (Net)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Current Tax assets (net)	5,545,642	1,744,287
<b>Total</b>	<b>5,545,642</b>	<b>1,744,287</b>

#### 14 Other current assets

Particulars	As at 31-Mar-2020	As at 31-Mar-2018
<b>Considered good, unless otherwise stated</b>		
Prepaid Expenses	4,136,980	3,975,400
MAT Credit Entitlement	51,390,000	40,710,000
<b>Balance with Government Authorities</b>		
(i) Balance with Central Excise & GST Dept	28,377,646	43,793,663
(ii) VAT Credit Receivable	2,716,652	5,160,049
<b>Others</b>		
(i) Advance to Suppliers & Others	11,998,631	11,219,013
(ii) Advance to Gratuity Fund	260,012	1,711,068
(iii) Other Receivables	3,267,657	3,340,009
<b>Total</b>	<b>102,147,578</b>	<b>109,909,202</b>





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation

15 SHARE CAPITAL	As at 31-Mar-2020	As at 31-Mar-2019
<b>Equity Share Capital :</b>		
<u>Authorised Share Capital:</u>		
50,00,000 Equity Shares of Rs.10/- each	50000000.00	50000000.00
-5,000,000	<u>50000000.00</u>	<u>50000000.00</u>
<u>Issued, Subscribed and Paid up Capital:</u>		
30,00,085 Equity Shares of Rs.10/- each	30000850.00	30000850.00
(30,00,085) fully paid up		
	<u>30000850.00</u>	<u>30000850.00</u>
<b>TOTAL</b>		

### 15.1 The details of Shareholders holding more than 5% shares :

Name of the Shareholder	As at 31-Mar-2020		As at 31-Mar-2019	
	No. of Shares	% held	No. of Shares	% held
Late Sh. Shyam Sunder Khemka	526,260	17.54	526,260	17.54
Smt. Chandra Kala Khemka	390,200	13.01	390,200	13.01
Sh. Rajeev Khemka	246,325	8.21	246,325	8.21
Sh. Sanjeev Khemka	264,875	8.83	264,875	8.83
Sh. Ashish Khemka	331,350	11.04	331,350	11.04
M/s Khemka Leasing Private Limited	484,500	16.15	484,500	16.15
M/s Khemka Packaging Private Limited	200,000	6.67	200,000	6.67

### 15.2 The reconciliation of the number of shares outstanding is set out below :

Particulars	As at 31-Mar-2020		As at 31-Mar-2019	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the year		3000085		3000085
Add : Shares issued during the year		0		0
Less : Shares cancelled on buy back		0		0
Equity Shares at the end of the year		<u>3000085</u>		<u>3000085</u>

### 15.3 Terms/ rights attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

15.4 The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being made in cash nor has allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 16 Other Equity

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>(a) Capital Reserve</b>	10,713,772	10,713,772
Opening Balance	-	-
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	10,713,772	10,713,772
<b>(b) Securities Premium Account</b>	24,901,400	24,901,400
Opening Balance	-	-
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	24,901,400	24,901,400
<b>(c) General Reserve</b>	690,324,176	670,324,176
Opening Balance	20,000,000	20,000,000
Add: Transferred from Surplus in Profit and Loss Statement	-	-
Less: Utilisation	-	-
Closing Balance	710,324,176	690,324,176
<b>(d) Surplus in Profit and Loss Statement</b>	133,832,192	116,543,898
Opening Balance	52,735,473	37,288,294
Add: Profit for the year	20,000,000	20,000,000
Less Amount transferred to General Reserve	-	-
Closing Balance	166,567,665	133,832,192
<b>(e) Other comprehensive Income</b>	954,859	203,255
Opening Balance	-1,162,481	751,604
Add: Additions /deductions	-207,622	954,859
Closing Balance	912,299,391	860,726,399
<b>Total</b>		

#### Capital Reserve:

Capital reserve was created from government subsidy received in earlier years.

#### Securities Premium Reserve:

The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. This reserve can be utilised in accordance with the provision of the companies act.

#### General Reserve:

The general is used time to time to transfer profit from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another equity, hence item included in general reserve will not be reclassified subsequently to profit and loss.



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 17 Borrowings

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Term Loans</b>		
From Banks		
— Term Loan -HSBC Bank	26,339,493	73,505,572
— Term Loan -HDFC	142,592,278	215,964,830
	<b>168,931,771</b>	<b>289,470,402</b>
<b>Vehicle Loans</b>	16,160,659	17,877,913
<b>Unsecured Loans</b>		
From Directors	91,158,131	115,217,093
<b>Total</b>	<b>276,250,561</b>	<b>422,565,408</b>

17.1 Term Loans from Hongkong and Shanghai Banking Corporation Ltd & HDFC Bank are secured by way of pari passu charge over entire Fixed Assets of the Company including Plant & Machinery (both present and future) except those exclusively funded through other Financial Institutions and pari-passu charge on the Stocks and Receivables of the company (both present & future) and collaterally secured by way of first pari-passu charge on Factories located at Plot No.135, Sector-24, Faridabad, Plot No.297, Sector-24, Faridabad, Plot No.11B, Udyog Vihar, Greater Noida, Factory located at Village Bir Pillasi, Factory Land & Building located at Mopuraplli Village, Varadaipalem Mandal Chittoor, Andhra Pradesh, in the name of Company and personal guarantee of Late Sh Shyam Sunder Khemka, Sh. Rajeev Khemka, Sh. Sanjeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka, all Directors of the company . All securities are under pari passu charge with HDFC Bank and Hongkong and Shanghai Banking corporation ltd.

17.2 Hypothecation of vehicles financed by the banks

17.3 Unsecured Loans from Directors are Long Term Borrowings and are interest bearing & repayable with prior permission of bankers.

### 18 Other Financial Liabilities

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Lease Liabilities	2,515,681	-
<b>Total</b>	<b>2,515,681</b>	<b>-</b>







# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 19 Provisions

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Provision for Employee Benefits	-	-
-Gratuity (funded)	2,941,018	2,373,454
-Leave Encashment (un-funded)		
<b>Total</b>	<b>2,941,018</b>	<b>2,373,454</b>

### 20 Deferred Tax Liabilities (Net)

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Deferred Tax Liabilities	36,791,300	22,145,500
Fixed Assets	36,791,300	22,145,500
<b>Total Deferred Tax Liabilities (A)</b>		
Deferred Tax Assets	876,100	964,400
Provision for Retirement Benefits		
Fixed Assets	2,448,700	-476,100
Others	3,324,800	488,300
<b>Total Deferred Tax Assets (B)</b>		
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>33,466,500</b>	<b>21,657,200</b>

### 21 Other Non-Current Liabilities

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Creditors for Capital Goods	-	12,845,285
<b>Total</b>	<b>-</b>	<b>12,845,285</b>





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 22 Short-Term Borrowings

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Secured Working Capital Loan from Bank *	105,629,520	107,324,755
<b>Total</b>	<b>105,629,520</b>	<b>107,324,755</b>

\* Working Capital Limit from Hongkong and Shanghai Banking Corporation Ltd & HDFC Bank are secured by way of pari passu charge over entire Fixed Assets of the Company including Plant & Machinery (both present and future) except those exclusively funded through other Financial Institutions and pari-passu charge on the Stocks and Receivables of the company (both present & future) and collaterally secured by way of first pari-passu charge on Factories located at Plot No.135, Sector-24, Faridabad, Plot No.297, Sector-24, Faridabad, Plot No.11B, Udyog Vihar, Greater Noida, Factory located at Village Bir Pillasi, Factory Land & Building located at Mopuraplli Village, Varadaiapalem Mandal Chittoor, Andhra Pradesh, in the name of Company and personal guarantee of Late Sh Shyam Sunder Khemka, Sh. Rajeev Khemka, Sh. Sanjeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka, all Directors of the company. All securities are under pari passu charge with HDFC Bank and Hongkong and Shanghai Banking corporation ltd.

### 23 Trade Payables

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Micro and Small Enterprises *	-	421,004
Others	483,421,247	477,640,426
<b>Total</b>	<b>483,421,247</b>	<b>478,061,430</b>

22.1 Detail of dues to Micro and Small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), based on the information given by the management, are as under :

Particulars	As at 31.03.2020	As at 31.03.2019
1 Principal amount due	0.00	421004.00
2 Interest due on above	Nil	Nil
3 amount of Interest paid in terms of Sec 16 of the MSMED Act	Nil	Nil
4 Amount of Interest due and payable for the period of delay	Nil	Nil
5 Amount of Interest accrued and remaining unpaid as at year end	Nil	Nil
6 Amount of further interest remaining due and payable in the succeeding years	Nil	Nil





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 24 Other financial liabilities

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
<b>Current Maturities of Long Term Debts</b>		
<b>From Banks:</b>		
--- Term Loan -HSBC bank	47,172,513	55,212,640
--- Term Loan HDFC Bank	65,681,568	54,100,819
<b>Total</b>	<b>112,854,081</b>	<b>109,313,459</b>
<b>Vehicle Loans</b>	<b>12,267,219</b>	<b>8,588,768</b>
<b>Subtotal</b>	<b>125,121,300</b>	<b>117,902,227</b>
<b>Other Payables</b>	<b>2,299,931</b>	<b>-</b>
Lease Liabilities	27,001,023	24,629,406
Liabilities for Expenses & Others	29,300,954	24,629,406
<b>Total</b>	<b>154,422,254</b>	<b>142,531,633</b>

### 25 Other Current Liabilities

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Advances from Customers	-	50,000
Statutory Dues	1,749,884	8,328,458
<b>Total</b>	<b>1,749,884</b>	<b>8,378,458</b>





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 26 Provisions

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Provision for Corporate Social Responsibility		-
Provision for Employee Benefits -Leave Encashment (un-funded) (Refer note no. 42)	468,255	418,897
<b>Total</b>	<b>468,255</b>	<b>418,897</b>



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Amount in Rs

### 27 Revenue from Operations

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Sale of Products	3,463,135,898	3,094,866,749
Less -Internal Consumption	122,897,092	125,727,986
<b>Total</b>	<b>3,340,238,806</b>	<b>2,969,138,763</b>
Sale of Products comprises of	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Corrugated Boards & Boxes	2,557,423,868	2,280,130,174
Duplex Board Cartons	629,508,111	569,485,247
Food Products	109,166,850	104,805,817
Milk /Dairy Products	91,620,182	61,065,600
Scrap	75,416,887	79,379,911
<b>Total - Sale of Products</b>	<b>3,463,135,898</b>	<b>3,094,866,749</b>

### 28 Other Income

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Income Tax Refund	0	800
Interest Received	553,300	428032
Sundry Balances Written back	2,119,564	2044617
Rent Received	120,000	540000
Insurance Claim Received	0	84648
Foreign exchange fluctuation	11,706	0
Profit on Sale of Property, Plant and Equipment	0	167975
<b>Total</b>	<b>2,804,570</b>	<b>3,266,072</b>



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Amount in Rs.

### 29 Cost of Raw Materials Consumed

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Opening Stock	141,858,434	132,817,340
Add: Purchases	1,992,062,838	1,832,252,419
less Internal Consumption	2,133,921,272	1,965,069,759
Less: Closing Stock	103,265,110	103,162,183
<b>Cost of Material Consumed</b>	<b>2,030,656,162</b>	<b>1,861,907,576</b>
	157,888,117	141,858,434
	<b>1,872,768,045</b>	<b>1,720,049,142</b>
<b>Material Consumed comprises:</b>		
1. Kraft Paper	1,442,093,609	1,325,018,321
2. Duplex Board	306,777,140	260,323,568
3. Corrugated Board & Sheet	104,975,979	101,803,218
4. Lamination Film	71,151	10,291,189
5. Flour Wheat & Maize	22,668,446	16,471,097
6. Oils & Fats	2,635,182	1,795,274
7. Chemicals, Flavours, Sugar & Salts	2,545,493	3,005,451
8. Skimmed Milk Powder	1,748	3,322
9. Packaging Materials(used in packing of food products)	9,131,941	9,171,951
10. Dextros Monohydrate	0	8,807,205
11. Raw Milk	24,950,060	20,250,420
12. Others	56,166,912	64,837,987
13. Soyabean	4,015,494	1,432,322
	<b>1,976,033,155</b>	<b>1,823,211,325</b>
Less Internal Consumption	103,265,110	103,162,183
<b>Total</b>	<b>1,872,768,045</b>	<b>1,720,049,142</b>





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Amount in Rs

### 30 Changes in Inventories

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
<b>Inventories at the end of the year</b>	<b>28,603,498</b>	<b>35,004,154</b>
Finished Goods	14,356,737	44,354,725
Work-In-Progress	162,200	303,080
Scrap	43,122,435	79,661,959
<b>Inventories at the beginning of the year</b>	<b>35,004,154</b>	<b>30,489,426</b>
Finished Goods	44,354,725	42,376,212
Work-In-Progress	303,080	110,000
Scrap	79,661,959	72,975,638
<b>Net (Increase) / Decrease</b>	<b>36,539,524</b>	<b>-6,686,321</b>

### 31 Employee Benefits Expenses

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Salaries, Wages & Bonus	247,297,275	229,962,079
Contributions to Provident Fund (Refer note no.42)	5,207,894	5,161,781
Contributions to Employee State Insurance Fund	2,112,615	2,951,860
Gratuity	1,401,289	1,370,915
Staff Welfare Expenses	10,711,507	10,111,324
<b>Total</b>	<b>266,730,580</b>	<b>249,557,959</b>

### 32 Finance Costs

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Interest Expense on:		
(i) Term Loans from Banks	33,469,019	24,674,135
(ii) Others Borrowing Costs	22,783,984	26,083,836
(iii) Interest on lease Liabilities	537,315	-
<b>Total</b>	<b>56,790,318</b>	<b>50,757,971</b>

### 33 Depreciation and Amortisation Expenses

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
Depreciation on Property, Plant and Equipment	167,486,562	125,387,655
Amortisation on Intangible Assets	222,505	663,173
<b>Total</b>	<b>167,709,067</b>	<b>126,050,828</b>





Amount in Rs

# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### Other Expenses

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
<b>Manufacturing Expenses</b>	<b>83,187,469</b>	<b>63,836,239</b>
Consumption of Stores and Spare Parts	44,657,190	34,877,187
Consumption of Block Printing & Design	100,485,472	88,606,221
Power and Fuel	1,200,000	4,517,477
Factory Rent including Lease Rentals	2,006,414	1,548,416
House Keeping Expenses	1,609,594	1,442,647
Carriage Inward Expenses	0	77,452
Job Work Expenses	24,908,855	25,699,239
Repairs and Maintenance - Machinery	13,674,579	12,366,301
Repairs and Maintenance - Others		
<b>Sub Total</b>	<b>271,729,573</b>	<b>232,971,179</b>
<b>Administration Expenses</b>	<b>4,753,939</b>	<b>4,419,970</b>
Rent	6,421,423	6,705,022
Insurance	1,545,533	1,953,220
Rates and Taxes	16,428,009	25,395,979
Travelling Expenses	7,337,687	4,571,318
Conveyance Expenses	1,782,372	1,790,316
Printing & Stationery	2,365,874	2,613,475
Postage, Telegram & Telephone	1,789,314	4,445,466
Legal and Professional	8,496,483	11,186,847
Retainership Charges	6,684,512	6,269,336
Security Service Charges	633,424	664,652
Membership & Subscription	5,123,312	5,426,475
Car Maintenance & Vehical Upkeep	2,141,833	1,448,912
Electricity & Water Charges	2,144,855	2,553,988
General Expenses	5,598,227	9,392,813
Employees Recruitment & Training Expenses	420,500	847,200
Charity & Donation	706,649	442,209
ISO Certification Charges	0	103,234
Sundry Balances Written off	741,478	401,628
Software charges	1,053,989	1,019,561
Bad Debts Written off	963,459	279,180
Prior Period Expenses	55,000	55,000
Listing Fees	37,600	14,000
Filing Fees	2,695,000	2,448,700
Expenses towards CSR Activities	1,050,220	-
Penalties	316,601	-
Loss on Sale of Property, Plant and Equipment	10,261	480,450
Interest on late fee	1,453,826	3,859,975
Bank Charges		
<b>Sub Total</b>	<b>82,751,380</b>	<b>99,689,126</b>





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Selling Expenses	16,056,495	9,837,890
Consumption of Packing Materials	90,830,173	80,506,021
Freight Outward (Net)	11,111,286	7,200,705
Sales Promotion Expenses	2,087,963	2,291,109
Discount Allowed	888,283	245,927
Advertisement & Publicity	2,420,101	0
Sales Tax Paid	3,175,830	1,914,434
Damages & Claims	54,493	25,387
Commission on Consignment Sales	515,133	485,996
Product & Sample Distribution Exp		
Sub Total	127,139,757	102,507,469
Payments to the Auditors	300,000	300,000
As Auditors - Statutory Audit	60,000	60,000
For Tax Audit	120,000	120,000
For Internal Audit		
Sub Total	480,000	480,000
Total	482,100,710	435,647,774

### 34.1- Expenditure Incurred on Corporate Social Responsibility.

Detail of expenditure on corporate Social Responsibility Activities as per section 135 of the companies Act 2013 read with Schedule III are as below:-

	Year ended 31-Mar-2020	Year ended 31-Mar-2019
A. Gross amount required to be spent by the company during the year	1590441	1923952
i) Construction/acquisition of assets		
ii) on purpose other than (i) above		
B. Amount spent during the year		
i) Amount spent	2695000	2,448,700
i) Amount Yet to be spent		
Total	2695000	2448700

The company does not carry any provisions for Corporate Social Responsibility expenses for current year as well as for previous year.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Note -37

Amount in Rs.

37.1 Details of Consumption of Imported and Indigenous Items		Year Ended on 31.03.2020		Year Ended on 31.03.2019	
	Percentage	Value	Percentage	Value	
Raw Materials					
a) Imported	3.87	72500059	0.00		0
b) Indigenous	96.13	1800267986	100.00		1720049142
	100.00	1872768045	100.00		1720049142
Stores and spares					
a) Imported	0	0	0		0
b) Indigenous	100	83187469	100		63836239
	100	83187469	100		63836239

37.2 Value of Imports calculated on CIF basis	Year Ended on 31.03.2020	Year Ended on 31.03.2019
Raw Materials	70088976	0
Components- Spare Parts	4330494	4962162
Capital Goods	3055010	114720940

37.3 Earnings in Foreign Exchange	Year Ended on 31.03.2020	Year Ended on 31.03.2019
Export of Goods calculated on FOB basis	850673	Nil

37.4 Expenditure in Foreign Currency	Year Ended on 31.03.2020	Year Ended on 31.03.2019
Travelling Expenses & other matters	6468171	12469140





## **KCL LIMITED**

### **Notes on Financial Statements for the Year ended 31st March, 2020**

#### **Note-38**

- 38.1 The following Land allotted / purchased are yet to be registered in the name of Company.
- a) The company has entered into Agreement for purchase of Land measuring 4.59 Acre at Village Gumshani, Tehsil- Bajpur, Uttranchal, Dist- Udham Singh Nagar, Khata No 0057, Khasara No 315/3.4.59 acre area, debited to Capital Work In Progress. Due to refusal for the registration of the the said property by the seller, the Company has filed a suit against him and the matter is sub judiced with the courts.
- b) The Company has received possession certificate on dated 20.10.2015 of Industrial Plot No. 254-255, Industrial Estate Sector, Roz ka Meo, Faridabad, measuring area of 8100 sq. mtr and full payment thereof has been debited to Capital Work In Progress but the conveyance deed is yet to be executed.
- 38.2 The Sricity Project of the company has come into operation in the month of March 2017 for manufacturing of Corrugated Boxes. This unit is situated on 10 acres of Lease Hold Land (99 years) at Sathyavedu Sub-District, Varadahaipalem Mandal, Racheria Panchayat of Mopurupali Village, Chittoor District, Andhra Pradesh and this unit is eligible for tax benefits as specified in Section 32AD of the Income Tax Act, 1961.
- 38.3 Sundry debit and credit balances appearing in the Balance Sheet are subject to confirmation of respective parties and consequent reconciliation thereof, adjustment of the same, if any, would be accounted for as and when ascertained.
- 38.4 In the opinion of the Board of Directors, the Current Assets, Loans and Advances are of the value as stated if realised in ordinary course of business.
- 38.5 COVID-19 has caused significant disruptions to businesses across India. As a result of lock down the volumes for the month of March, 2020 has been impacted. The management has considered the possible effects, if any, that may impact the carrying amounts of inventories, receivables and intangibles. In making the assumptions and estimates relating to the uncertainties as at the balance sheet date in relation to the recoverable amounts, the management has considered subsequent events, internal and external information and evaluated economic conditions prevailing as at the date of approval of these financials results. The management expects no impairment to the carrying amounts of these assets. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.
- 38.6 Sales Tax assessment of units of the company situated in different states have been completed up to Financial Year 2016-17.
- 38.7 The Income Tax Assesment u/s 143(3) of the Income Tax Act, 1961 has been completed up to A.Y. 2014-15 and income tax demand of Rs.3,01,750/- is outstanding as on date pertains to A.Y. 2009-10 to A.Y. 2012-13, against which request for rectification has been filed with the dept and therefore no provision has been made in the books of accounts.
- 38.8 The company does not have any pending litigations as on date except below:
- Civil Writ Petition under Article 226/227 of the Constitution of India on dated 30.05.2019 has been filed against Allahbad Bank for issuance of writ in the nature of mandamus directing the respondents to refund Rs.30,84,753/- illegally charged on account of take over charges (Foreclosure charges) under the garb of releasing the security documents on transfer of loan.
  - The Company has filed demand notice u/s 8 of The Insolvency and Bankruptcy Code, 2016 , against four debtors involving amount of Rs.41.33 Lacs for recovery and the matter is pending with NCLT.
- 38.9 During the year, the Company has not entered into any long-term contracts including derivative contracts.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 39. Derivatives:-

A) Hedged: The Company has not entered into Forward Exchange Contracts, being Derivative Instruments for hedge purpose.

Buy or Sell	As on 31.03.2020		As on 31.03.2019		Foreign Currency
	(in Rs.)	Amount in Foreign Currency	(in Rs.)	Amount in Foreign Currency	
Buy	-	-	-	-	NA
Sell	-	-	-	-	NA

B) Unhedged: The year end Foreign Currency Exposures that have not been hedged by a Derivative Instrument as Outstanding are as under:

	As on 31.03.2020		As on 31.03.2019		Foreign Currency
	(in Rs.)	Amount in Foreign Currency	(in Rs.)	Amount in Foreign Currency	
a) Receivables:-	45592.00	486.79	0	0	--
b) Payables:-					
Trade Payables	7838358	103970.8	5588179	542502	USD & RMB



# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Amount in Rs.

### Note 41 Segment Information

The Company has identified the following two Primary Business Segments during the year ended 31st March, 2020

1. **Packaging Products** Engaged in Manufacturing of Corrugated Boxes and Duplex Board Cartons
2. **Food Products** Engaged in Manufacturing of Food Products (Wafer Sticks, Extruded Cereals Products, Ready to use Bakery Products, Glucose D & Dairy Products)

#### Primary Business Segments

Particulars	Period		Packaging Products	Food Products	Corporate & Un-allocable	Total
	For the Year ended					
<b>Revenue</b>						
Gross Turnover	For the Year ended	31-Mar-20	3,262,348,866	200,787,032		3,463,135,898
		31-Mar-19	2,928,995,332	165,871,417		3,094,866,749
Inter Segment Turnover	For the Year ended	31-Mar-20	122,897,092	-		122,897,092
		31-Mar-19	125,727,986	-		125,727,986
External Turnover	For the Year ended	31-Mar-20	3,139,451,774	200,787,032		3,340,238,806
		31-Mar-19	2,803,267,346	165,871,417		2,969,138,763
Less: Sales Tax	For the Year ended	31-Mar-20	-	-		-
		31-Mar-19				
Less: GST RECOVERED	For the Year ended	31-Mar-20	369,285,548	25,829,392		395,114,940
		31-Mar-19	331,047,052	22,721,233		353,768,285
Net Turnover	For the Year ended	31-Mar-20	2,770,166,226	174,957,640		2,945,123,866
		31-Mar-19	2,472,220,294	143,150,184		2,615,370,478

#### Result

Segment Result						
Profit Before Tax & Interest	For the Year ended	31-Mar-20	109,928,215	14,938,865	-3,492,429	121,374,651
		31-Mar-19	110,213,163	-8,646,231	-7,934,772	93,632,160
Operating Profit	For the Year ended	31-Mar-20				121,374,651
		31-Mar-19				93,632,160
Interest Expenses	For the Year ended	31-Mar-20				56,790,318
		31-Mar-19				50,757,971
Other Income	For the Year ended	31-Mar-20				2,804,570
		31-Mar-19				3,266,072
Income Tax	For the Year ended	31-Mar-20				11,848,860
		31-Mar-19				5,585,895
Profit From ordinary activities	For the Year ended	31-Mar-20				52,735,473
		31-Mar-19				37,288,294
Add/Less:OCI	For the Year ended	31-Mar-20				-1,162,481
		31-Mar-19				751,604
Net Profit after Tax	For the Year ended	31-Mar-20				51,572,992
		31-Mar-19				38,039,898





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

Amount in Rs.

### Other Information

#### Segment Assets

Property, Plant and Equipment	For the Year ended	31-Mar-20	<b>910,223,293</b>	<b>101,180,838</b>	<b>23,994,482</b>	<b>1,035,398,613</b>
		31-Mar-19	887,512,807	114,369,055	28,384,608	1,030,266,470
Intangible assets	For the Year ended	31-Mar-20	<b>255,046</b>			<b>255046</b>
		31-Mar-19	477551			477551
Capital Work in Progress			-	-	<b>25,210,730</b>	<b>25,210,730</b>
			118,670,828	1,979,132	25,210,730	145,860,690
<b>Financial Assets</b>						
Investments	For the Year ended	31-Mar-20			5362380	<b>5,362,380</b>
		31-Mar-19			5611480	5,611,480
Other Financial Assets	For the Year ended	31-Mar-20	<b>9816257</b>	<b>1453440</b>	<b>14013</b>	<b>11,283,710</b>
		31-Mar-19	8616257	1453440	14013	10,083,710
Other Non Current Assets	For the Year ended	31-Mar-20	-	<b>1,380,200</b>	<b>711,271</b>	<b>2,091,471</b>
		31-Mar-19			711,271	711,271
Current Assets, Loans and Advances	For the Year ended	31-Mar-20	<b>691,181,456</b>	<b>70,563,089</b>	<b>161,818,666</b>	<b>923,563,211</b>
		31-Mar-19	705,923,501	43,112,232	144,836,864	893,872,597
Total Segment Assets	For the Year ended	31-Mar-20	<b>1,611,476,052</b>	<b>174,577,567</b>	<b>217,111,542</b>	<b>2,003,165,161</b>
		31-Mar-19	1,721,200,944	160,913,859	204,768,966	2,086,883,769
Total Assets	For the Year ended	31-Mar-20				<b>2,003,165,161</b>
		31-Mar-19				2,086,883,769

#### Segment Liabilities

Non Current Liabilities	As at	31-Mar-20	<b>200,626,351</b>	<b>16,079,404</b>	<b>98,468,005</b>	<b>315,173,760</b>
		31-Mar-19	325,810,388	16,996,502	116,634,457	459,441,347
Current Liabilities & Provisions	As at	31-Mar-20	<b>724,294,355</b>	<b>16,051,524</b>	<b>5,345,281</b>	<b>745,691,160</b>
		31-Mar-19	708,423,487	24,724,694	3,566,992	736,715,173
Total Segment Liabilities	As at	31-Mar-20	<b>924,920,706</b>	<b>32,130,928</b>	<b>103,813,286</b>	<b>1,060,864,920</b>
		31-Mar-19	1,034,233,875	41,721,196	120,201,449	1,196,156,520
Total Liabilities	As at	31-Mar-20				<b>1,060,864,920</b>
		31-Mar-19				1,196,156,520

Capital Employed	As at	31-Mar-20	<b>686,555,346</b>	<b>142,446,639</b>	<b>113,298,256</b>	<b>942,300,241</b>
		31-Mar-19	686,967,069	119,192,663	84,567,517	890,727,249
Capital Expenditure	As at	31-Mar-20				<b>45,542,049</b>
		31-Mar-19				208,345,653
Depreciation	For the Year ended	31-Mar-20	<b>142,847,015</b>	<b>18,165,827</b>	<b>6,696,225</b>	<b>167,709,067</b>
		31-Mar-19	98,463,880	21,366,314	6,220,634	126,050,828
Non - Cash Expenses other than Depreciation	For the Year ended	31-Mar-20				-
		31-Mar-19				-





## KCL LIMITED

### Notes on Financial Statements for the Year ended 31st March, 2020

#### 42 Employee Benefits

##### a) Defined Contribution Plans

The Company has recognised ₹ 52.08 lacs (FY ₹ 51.62 lacs) as contribution to provident fund in Statement of Profit & Loss.

##### b) Defined Benefit Plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The Company has also provided for Leave Encashment which is unfunded.

The following tables summarize the components of the funded status and amounts recognized in the balance sheet for the respective plans (as per Actuarial Valuation as on 31st March 2020).

The principal assumptions used in determining gratuity and leave liability for the Company's plans are shown below :

Particulars	Leave encashment		Gratuity	
	As at			
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	6.79%	7.65%	6.79%	7.65%
Salary Increase (taking into account inflation, seniority, promotion and other relevant factor)	5.00%	5.00%	5.00%	5.00%
Withdrawal Rate (Per Annum) - 18 to 30 Years	5.00%	5.00%	5.00%	5.00%
Withdrawal Rate (Per Annum) - 30 to 44 Years	3.00%	3.00%	3.00%	3.00%
Withdrawal Rate (Per Annum) - 44 to 58 Years	2.00%	2.00%	2.00%	2.00%

Changes in the present value of Defined Benefit Obligation are as follows

Particulars	Leave encashment		Gratuity	
	As at			
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Present value of the obligation at the end of the year	3,409,279	2,792,351	12,428,615	10,019,906

Net Asset / (Liability) recognized in the Balance Sheet as on 31st March 2020

Particulars	Leave encashment		Gratuity	
	As at			
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Present Value of Defined Benefit Obligation at the end of the year	3,409,279	2,792,351	12,428,615	10,019,906
Fair Value of Plan Assets	-	-	12,688,627	11,790,974
Net Asset / (Liability) recognized in the Balance Sheet	(3,409,279)	(2,792,351)	260,012	1,771,068

Bifurcation of Obligation at the end 31st March 2020

Particulars	Leave encashment		Gratuity	
	As at			
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Current Liability (Short Term)	468,255	418,897	1,567,897	1,392,724
Non Current Liability (Long Term)	2,941,018	2,573,454	11,060,718	8,627,182
Total	3,409,279	2,792,351	12,428,615	10,019,906





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 43. Financial Instrument

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. Comparison by class of the carrying amounts and fair value of the Company's financial instruments that are recognised in the financial statements are set out below.

The carrying value and fair value of financial instruments by categories as of 31st March, 2020 were as follows :

Amount in Rs

S. No.	Particulars	Carrying Value/Fair Value	
		As At 31.03.2020	As At 31.03.2019
	<b>Assets :</b>		
i	Investments	5,362,380	5,611,480
ii	Cash and cash equivalents	11,497,485	5,673,453
iii	Bank balances other than (ii) above	5,222,509	747,594
iv	Trade receivables	472,906,114	432,202,398
v	Loans	106,993,889	104,137,102
vi	Other financial assets	11,283,710	10,083,710
	<b>Total</b>	<b>613,266,087</b>	<b>558,455,737</b>
	<b>Liabilities :</b>		
ii	Non Current Borrowings	276,250,561	422,565,408
iii	Other Financial Liabilities	2,515,681	-
iv	Current Borrowings	105,629,520	107,324,755
v	Trade Payables	483,421,247	478,061,430
vi	Other financial liabilities	154,422,254	142,531,633
	<b>Total</b>	<b>1,022,239,263</b>	<b>1,150,483,226</b>

The following methods and assumptions were used to estimate the fair values:

- 1 The carrying amount of Trade receivables, Trade payables and cash & cash equivalent are considered to be the same as their value due to their short term nature
- 2 The carrying amount of the financial assets and liabilities carried at amortised cost is considered a reasonable approximation of fair value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique

Level 1 : Quoted (unadjusted) prices in active markets for identical assets and liabilities

Level 2 : Other techniques for which all inputs which have a significant effect on the recorded fair value are observable either directly or indirectly

Level 3 : Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.





# KCL LIMITED

## Notes on Financial Statements for the Year ended 31st March, 2020

### 44 Financial risk management

The Company's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company finance department is responsible for developing and monitoring the Company's risk management policies. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly. The key risks and mitigating actions are also placed before the Audit Committee of the Company.

#### Management of liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in 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.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date:

Particulars	Amount in Rs			
	Carrying Amount	Payable within 1 year	Payable after 1 year	Total
<b>As at 31<sup>st</sup> March 2020</b>				
Borrowings	507,001,381	230,750,820	276,250,561	507,001,381
Trade Payables	483,421,247	483,421,247	-	483,421,247
Other Financial Liabilities	29,300,954	29,300,954	-	29,300,954
<b>As at 31<sup>st</sup> March 2019</b>				
Borrowings	647,792,390	225,226,982	422,565,408	647,792,390
Trade Payables	478,061,430	478,061,430	-	478,061,430
Other Financial Liabilities	24,629,406	24,629,406	-	24,629,406

#### Management of financial market risk

Financial market risk is the risk of loss of future earning, fair values or future cash flows that may result from a change in the price of financial instrument. The value of a financial instrument may change as a result of change in the interest rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investment and deposits, payables and loans and borrowings.

The Company manages financial market risk through finance department, which evaluates and apply the risk mitigation strategy as approved by Audit Committee. The means of cash sources, borrowing strategies, and ensuring compliance with market risk limits and policies are also monitored.

#### Management of credit risk

##### a). Trade Receivable

The Company is exposed to credit risk from its operating activities (primarily trade receivables). Credit risk arises from the possibility that counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable.

The Company considers the probability of default upon initial recognition of assets and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information.

The Company's concentration of risk with respect to trade receivables is low, as its supply are made to the renowned customers.

##### b). Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks and investment in equity shares. The Company has given inter-corporate deposits (ICD) to its related parties amounting to Rs. 988.40 lacs (31st March, 2019: Rs.973.58 lacs).

The Company's maximum exposure to credit risk as at 31st March, 2020, 31st March, 2019 is the carrying value of each class of financial assets.

45 The figures for the previous year have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

46 Note 1 to 45 are annexed to and form an integral part of the Balance Sheet as at 31st Mar 2020, Statement of Profit and Loss, statement of cash flows and statement of changes in equity for the year ended as on that date.

As per our report of even date attached

For ROHIT BAID & CO.

(CHARTERED ACCOUNTANTS)

FRN No.031122N

For and on behalf of the Board

(CA ROHIT BAID)  
PROPRIETOR  
M.NO.535947  
Place : Faridabad  
Date: 31.07.2020



RAJEEV KHEMKA  
(Director)  
DIN No 00103260

SANJEEV KHEMKA  
( Director)  
DIN No 00103295

ASHISH KHEMKA  
(Director)  
DIN No 00103321

AMIT AGGARWAL  
(Company Secretary)



### ATTENDANCE SLIP

Regd. Folio/ DP ID & Client ID	
Number of shares	
Name and Address of the member	

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the Thirty Seventh Annual General Meeting of the Company be held on Wednesday, the 30<sup>th</sup> day of September, 2020, at 04:00 P.M. at the Registered office of the company situated at E-292, Sarita Vihar, New Delhi - 110044.

\_\_\_\_\_  
Member's/Proxy's name in Block Letters

\_\_\_\_\_  
Member's/Proxy's Signature

Note: Please fill this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of Annual Report to the Annual General Meeting.



**Form No. MGT - 11**  
**Proxy form**

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

**KCL LIMITED**  
**L74899DL1983PLC068008**  
**E-292, SARITA VIHAR, NEW DELHI DL 110044**  
[cs@kcl.co.in](mailto:cs@kcl.co.in)

Name of the member (s): Registered address: E-mail Id: Folio No/ Client Id: DP ID:
--

I/We, being the member(s) holding \_\_\_\_\_Equity shares of the above named company,  
hereby appoint

- 1. Name: .....
- Address: .....
- E-mail Id: .....
- Signature: .....

Or falling him/her

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual  
General Meeting of the Company, to be held on Wednesday, 30<sup>th</sup> day of September 2020 at 04:00  
p.m. at E-292, Sarita Vihar, New Delhi - 110044, and at any adjournment thereof in respect of  
such resolutions as are indicated below:

**Resolution No.**

**Ordinary Business:**

- 1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2020,  
statement of Profit and Loss for the year ended on that date and the Reports of the  
Directors and Auditors thereon.
- 2. To appoint a Director in place of Mr. Ashish Khemka (holding DIN No: 00103321), who retires by  
rotation, and being eligible offers himself for reappointment.
- 3. To appoint a Director in place of Mr. Sanjeev Khemka (holding DIN No: 00103295), who retires by  
rotation, and being eligible offers himself for reappointment.



- 4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary Resolution

“RESOLVED THAT pursuant to Section 139 and other applicable provisions if any of the Act and the Rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Rohit Baid & Co., Chartered Accountants, Faridabad, bearing Firm Registration No 031122N with Institute of Chartered Accountant of India be and is hereby appointed as the Statutory Auditor of the Company to hold office from the conclusion of the Annual General Meeting for the financial year 17-18 to the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in the year 2022, subject to ratification by the Shareholders at every subsequent Annual General Meeting and to authorize the Board of Directors of the company to fix their remuneration.”

RESOLVED FURTHER THAT Mr. Rajeev Khemka, Director cum CFO of the Company be and is hereby authorized to do all such actions as may be required to give effect to the aforesaid resolution.

**SPECIAL BUSINESS**

- 5. **REGULARISATION OF ADDITIONAL DIRECTOR, MR. SANJEEV JAIN BY APPOINTING HIM AS AN INDEPENDENT DIRECTOR OF THE COMPANY**

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

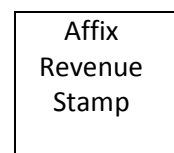
“RESOLVED THAT, Mr. Sanjeev Jain (DIN-00011248), who was appointed as an Additional Director with effect from 10<sup>th</sup> September, 2019 on the Board of Directors of the Company in terms of Section 161 of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director of the Company.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby severally authorized to sign the requisite forms / documents and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.”

Signed this ..... day of ..... 2020

Signature of shareholder

Signature of Proxy holder(s)



*Note:*

- 1. *This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*

