

**KCL LIMITED**

**ANNUAL REPORT**

**2021-22**



# CORPORATE INFORMATION

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# 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, New Delhi

## BANKERS

HDFC BANK, Faridabad  
HSBC Bank, Gurgaon

**Stock Exchange (ISIN INE061C01010)**

Metropolitan Stock Exchange of India Limited Mumbai

## Non-Executive & Independent Director

Mr. Salil Narang  
Mr. Amarjit Kochhar  
Mr. Sanjeev Jain  
Mr. Rahul Jain

## Registered Office

E-292, Sarita Vihar  
New Delhi-110044

## Manufacturing Plants

Paper Packaging Division  
Plot No: 297, 298 & 135,  
Sector-24, Faridabad

## Wellness Foods

Plot No 275 & 276, 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 135, Sector-24, FBD

## KCL Food

Bata Mandi, Ponta Sahib  
Road, (H.P)

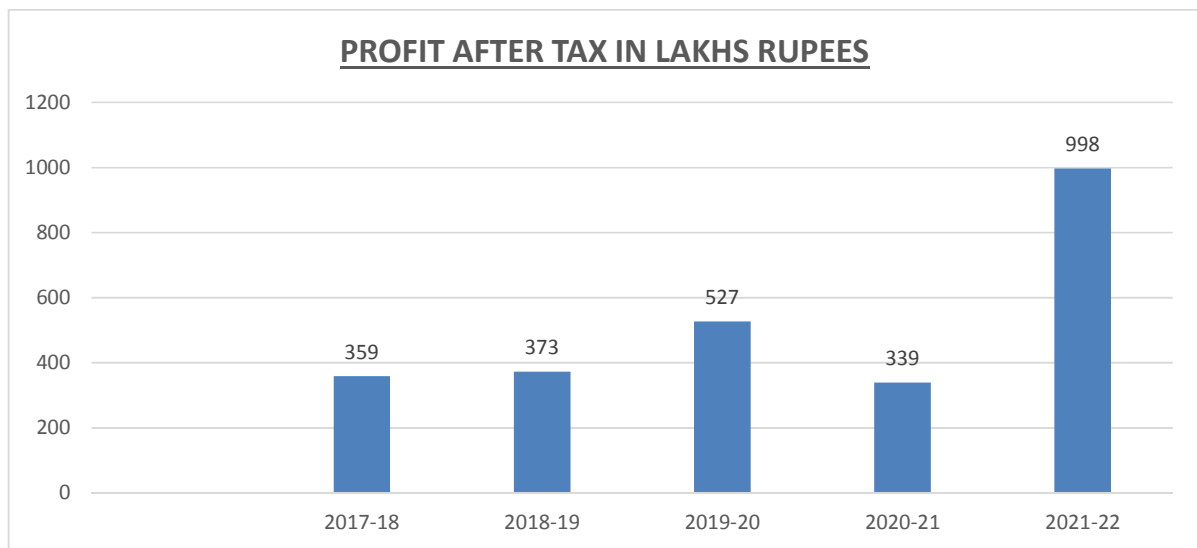
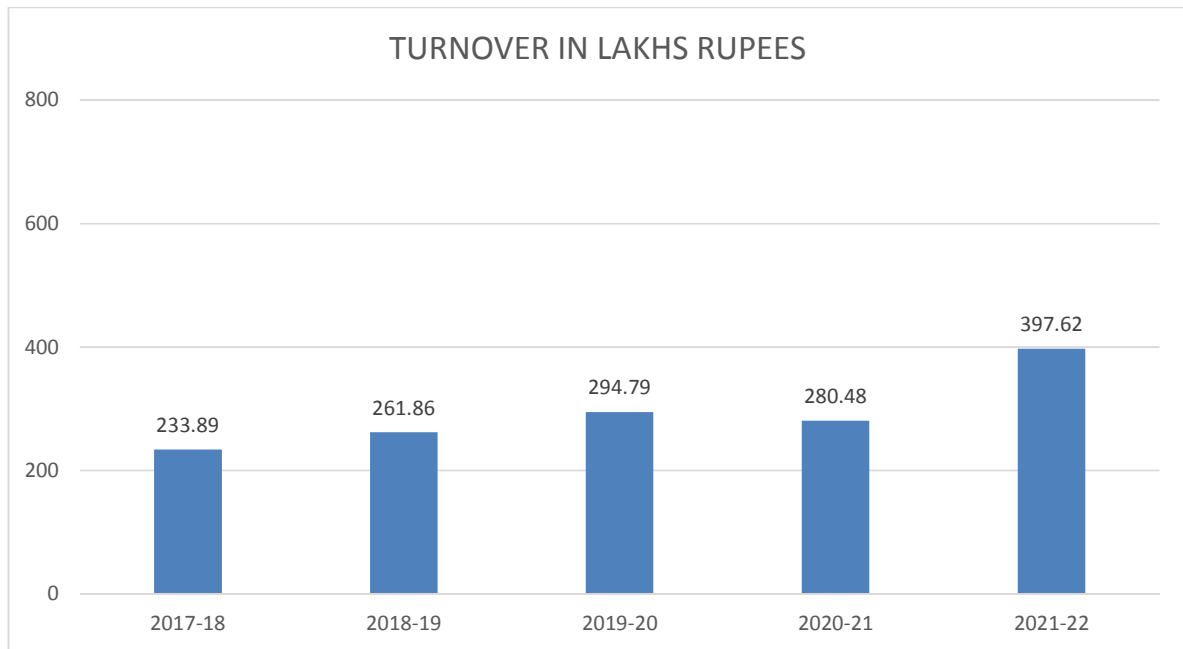
## Sri-city Division

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

## Cheyar Division

Plot no 5, Sipcot Industrial  
Area, Tamil Nadu-604407

## **FINANCIAL PERFORMANCE**



**M/S KCL LIMITED**  
**(Formerly known as Khemka Containers Limited)**

CIN: L74899DL1983PLC068008

Regd. Office: E-292, Sarita Vihar, New Delhi-110044

Tel: [+91-11-26955419](tel:+91-11-26955419), E-mail: [cs@kcl.co.in](mailto:cs@kcl.co.in), website: [www.kcl.co.in](http://www.kcl.co.in)

**NOTICE**

NOTICE is hereby given that the 39<sup>TH</sup> Annual General Meeting of the members of M/s KCL Limited will be held on **Friday, 30<sup>th</sup> September 2022 at 01:00 PM (IST)** at the Registered Office of the company Situated at E-292, Sarita Vihar, New Delhi - 110044 to transact the following business:

**ORDINARY BUSINESS:**

**Item 1: To receive, consider and adopt**

- a) the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended 31st March 2022 and the reports of the Board of Directors and Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

- b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 together with the Report of the Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

**Item 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 re-appointment and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:**

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ashish Khemka, Whole time Director, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**Item 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 re-appointment and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:**

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sanjeev Khemka, Whole time Director who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**Item 4. To appoint M/s Deepanshu A Goel & Associates (Firm Registration No.: 038933N) as Statutory Auditors of the Company and in this regard, to Consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s Deepanshu A Goel & Associates, Chartered Accountants (Firm Registration No. 038933N), be and is hereby appointed as Statutory Auditor of the Company for a period of five consecutive years, to hold office from the conclusion of this (39<sup>th</sup>) Annual General Meeting (‘AGM’) till the conclusion of the forty forth (44<sup>th</sup>) AGM, at such remuneration, as mutually agreed between the Board of Directors of the Company and the Auditors.

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

**SPECIAL BUSINESS:**

**Item 5: To appoint Salil Narang (DIN: 00761530) as an Independent Director of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions of Companies Act, 2013, the rules made thereunder read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the recommendation of Nomination and Remuneration Committee, Mr. Salil Narang (DIN: 00761530), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from 22<sup>nd</sup> February, 2022, be and is hereby appointed as an Independent Director, for a term of 5 (five) consecutive years to hold office from the conclusion of this (39<sup>th</sup>) Annual General Meeting (‘AGM’) till the conclusion of the forty forth (44<sup>th</sup>) AGM, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**Item 6: To appoint Mr. Amarjit Kochhar (DIN: 08645111) as an Independent Director of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions of Companies Act, 2013, the rules made thereunder read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the recommendation of Nomination and Remuneration Committee, Mr. Amarjit Kochhar (DIN: 08645111), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from 30<sup>th</sup> June 2021, be and is hereby appointed as an Independent Director, for a term of 5 (five) consecutive years to hold office from the conclusion of this (39<sup>th</sup>) Annual General Meeting (‘AGM’) till the conclusion of the forty forth (44<sup>th</sup>) AGM, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution.”

**Item 7: To approve the revised payment of Remuneration to Mr. Rajeev Khemka, (DIN: 00103260), WTD cum CFO of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such revised remuneration to Mr. Rajeev Khemka, (DIN: 00103260), WTD cum CFO, for the period from April 1, 2022 for a period of three years upto 31<sup>st</sup> March 2025 as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

**Item 8: To approve the revised payment of Remuneration to Mr. Sanjeev Khemka, (DIN: 00103295), WTD of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such revised remuneration to Mr. Sanjeev Khemka, (DIN: 00103295), WTD, for the period from April 1, 2022 for a period of three years upto 31<sup>st</sup> March 2025 as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

**Item 9: To approve the revised payment of Remuneration to Mr. Ashish Khemka, (DIN: 00103321), WTD of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such revised remuneration to Mr. Ashish Khemka, (DIN: 00103321), WTD, for the period from April 1, 2022 for a period of three years upto 31<sup>st</sup> March 2025 as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

**Item 10: To approve the revised payment of Remuneration to Mr. Deeptanshu Khemka, (DIN: 07484360), WTD of the Company**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies



(Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to payment of such revised remuneration to Mr. Deeptanshu Khemka, (DIN: 07484360), WTD, for the period from April 1, 2022 for a period of three years upto 31<sup>st</sup> March 2025 as set out in the statement annexed to the Notice convening this Meeting with the liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter and vary the said terms and conditions of appointment and / or remuneration, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution

**By Order of the Board of Directors  
For M/s KCL Limited**

**Place: Faridabad  
Date: 08-09-2022**

**Sd/-  
Amit Aggarwal  
Company Secretary and Compliance Officer  
Membership No.: A28783**

**NOTES:**

1. The Statement, pursuant to Section 102 of the Companies Act, 2013, as amended (‘Act’) setting out material facts concerning the business with respect to Item Nos. 4, 5 and 6 forms part of this Notice. Additional information, pursuant to Regulations 36(3) and 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, (‘SEBI Listing Regulations’) and Secretarial Standard- 2 on General Meetings issued by The Institute of Company Secretaries of India, in respect of Director retiring by rotation seeking re-appointment at this Annual General Meeting (‘Meeting’ or ‘AGM’) is furnished as an Annexure to the Notice.
2. The Ministry of Corporate Affairs (‘MCA’) has, vide its Circular no.21/2021, dated December 14, 2021 read together with circular dated January 13, 2021, April 8, 2020, April 13, 2020 and May 5, 2020 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM”) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), without the physical presence of the Members at a common venue. In accordance with the MCA circulars, provisions of the Companies Act, 2013 (“the Act”) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), however the AGM of the Company is being held through physical mode instead of VC/ OAVM. In compliance with the provisions of the Companies Act, 2013

(‘Act’), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI Listing Regulations’) and MCA Circulars, the 39<sup>th</sup> AGM of the Company is being held through physically mode on Friday, 30<sup>th</sup> September 2022, at 01:00 P.M. (IST).

3. The venue for 39<sup>th</sup> AGM shall be the Registered Office of the Company at E-292, Sarita Vihar, New Delhi-110044.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized e-Voting’s agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/ AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. **PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS AND THE SEBI CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE.**
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.kcl.co.in](http://www.kcl.co.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. MSEI Limited at [www.msei.in](http://www.msei.in). The AGM Notice is also disseminated on the website of NSDL (agency for

providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingnsdl.com](http://www.evotingnsdl.com).

9. In case of joint holders, 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 at the AGM.
10. Listing Regulations has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services (local, regional or national), direct credit, real time gross settlement, national electronic funds transfer etc. The companies and the registrar and share transfer agents are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment is made in physical mode. Accordingly, shareholders are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialised form and with the registrar and share transfer agent in respect of shares held in physical form. For further details about registration process, please contact your depository/ R&TA of the Company.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's RTA. You are also requested to update your Bank details by writing to the Company's RTA.
12. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018 requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in dematerialized form with the depositories. Therefore, shareholders are requested to take action to dematerialize the equity shares of the Company.
13. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and other documents referred to in the Notice and explanatory statement, will be available electronically for inspection via a secured platform without any fee by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection by the Members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [cs@kcl.co.in](mailto:cs@kcl.co.in).
14. Members are requested to notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.

15. Members holding shares in single name in physical form are advised to make nomination in respect of their shareholding in the Company and for cancellation and variation of nomination in Form SH- 13 and SH-14, respectively, the same forms can be obtained from the Registrar and Transfer Agent of the Company.
16. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one folio.
17. Non-Resident Indian members are requested to inform RTA / respective DPs, immediately of:
  - a) Change in their residential status on return to India for permanent settlement.
  - b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
18. The Board of Directors of the Company has appointed Mr. Vikas Kumar Verma, Managing Partner of M/s Vikas Verma & Associates, New Delhi as Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
19. The Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September 2022 to 30<sup>th</sup> September 2022 (both day inclusive).
20. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first download the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting and shall within 48 hours of conclusion of the AGM shall submit a consolidated Scrutinizer's report of the total votes cast in favor of or against, if any, to the Chairman or any other person authorized by the Chairman, who shall countersign the same and declare the result of the voting forthwith.
21. The results along with Scrutinizer's Report, shall be displayed at the Registered Office and Corporate office of the Company and placed on the Company's website at [www.kcl.co.in](http://www.kcl.co.in) and the website of NSDL immediately after the result is declared. The results shall be simultaneously communicated to the Stock Exchange where the securities of the Company are listed. The resolutions will be deemed to be passed on the date of AGM subject to receipt of the requisite number of votes in favour of the resolutions.
22. the Route Map of the AGM is annexed in this Notice.
23. **THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:**  
**The remote e-voting period begins on 27<sup>th</sup> September 2022 at 09:00 A.M. and ends on 30<sup>th</sup> September, 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 23<sup>rd</sup> September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their**

share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September 2022.

### **How do I vote electronically using NSDL e-Voting system?**

*The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:*


#### **Step 1: Access to NSDL e-Voting system**

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<b>Type of shareholders</b>	<b>Login Method</b>
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “<b>Beneficial Owner</b>” icon under “<b>Login</b>” which is available under ‘<b>IDeAS</b>’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “<b>Access to e-Voting</b>” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “<b>Register Online for IDeAS Portal</b>” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL),</li> </ol>

	<p>Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e. NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</p> <p>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</p>  <p>The image shows a banner for the NSDL Mobile App. It says "NSDL Mobile App is available on" in blue text. Below this, there are two logos: the Apple App Store logo and the Google Play logo. Under each logo is a square QR code for downloading the app.</p>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e. NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. <b>NSDL</b> where the e-Voting is in progress.</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.  
How to Log-in to NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.  
*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.*
4. Your User ID details are given below :

**Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical**

**Your User ID is:**



a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
  - If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
  - How to retrieve your 'initial password'?
    - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
    - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
- Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - Physical User Reset Password? (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.



d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join General Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for shareholders**

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [vikasverma@vvanda.com](mailto:vikasverma@vvanda.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking

on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "[Forgot User Details/Password?](#)" or "[Physical User Reset Password?](#)" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to (Ms. Sarita Mote, Assistant Manager) at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@kcl.co.in](mailto:cs@kcl.co.in).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [cs@kcl.co.in](mailto:cs@kcl.co.in). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

## **STATEMENT PURSUANT TO REGULATION 36(5) OF SEBI LISTING REGULATIONS**

### **ITEM NO. 4:**

M/s Rohit Baid & Co. Chartered Accountant (Firm Registration No.: 031122N) were appointed as the Statutory Auditors of the Company at the 34<sup>th</sup> Annual General Meeting ('AGM') held on September 28<sup>th</sup>, 2017 for a term of 5 years. Accordingly, the present term of M/s Rohit Baid & Co, gets completed on the conclusion of the ensuing AGM.

The Board of Directors of the Company, on the recommendation of the Audit Committee, recommended for the approval of the members, the appointment of M/s Deepanshu A Goel & Associates (Firm Registration No.:038933N) as Statutory Auditors of the Company for a period of five years from the conclusion of this 39<sup>th</sup> AGM till the conclusion of the 44<sup>th</sup> AGM of the Company, at a remuneration mutually decided by the Board of Directors and Auditor and reimbursement of out of pocket expenses to conduct the Audit for the financial year 2022-23. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors of the Company and the Statutory Auditors.

M/s Deepanshu A Goel & Associates is a proprietorship firm of Chartered Accountants in Faridabad, India. The firm provides services in the fields of audit and assurance, tax and regulatory, transaction advisory and consulting keeping in mind the regulatory and commercial environment within which the Firm's clients operate.

The Company has obtained a certificate from the auditors of the Company that they meet the criteria of independence, eligibility and qualification as prescribed in section 141 of the Companies Act 2013. As required under the SEBI Listing Regulations, M/s Deepanshu A Goel & Associates, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 4 of this notice.

The Board recommends the resolution set out at Item No. 4 of the Notice for approval by the Members by way of an Ordinary Resolution.

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

### **ITEM NO. 5:**

Mr. Salil Narang, was appointed as Additional Director by the Board of the Company with effect from February 22<sup>nd</sup>, 2022. In terms of the provisions of Section 161(1) of the Act, Mr. Narang would hold office upto the date of the ensuing Annual General Meeting. In respect of whom the Company has received a notice in writing proposing her candidature for the office of Director. Further Board of Directors at its meeting held on February 22<sup>nd</sup>, 2022 has considered, approved and adopted the recommendation of the committee for the appointment of Mr. Salil Narang as an Independent Director.

The Company has received a declaration from Mr. Salil Narang stating that he meets with the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Mr. Salil Narang possesses appropriate skills, experience and knowledge.

Based on the recommendations of the Committee, the Board of Directors at its meeting held on February 22<sup>nd</sup>, 2022 has approved the proposal for appointment of Mr. Salil Narang as an Independent Director and recommends the Resolution for approval of the Members as an Ordinary Resolution as set out in the item no. 5 of the notice.

Except Mr. Salil Narang, and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO. 6:**

Mr. Amarjit Kochhar, was appointed as Additional Director by the Board of the Company with effect from June 30<sup>th</sup> 2021. In terms of the provisions of Section 161(1) of the Act, Mr. Narang would hold office upto the date of the ensuing Annual General Meeting. In respect of whom the Company has received a notice in writing proposing her candidature for the office of Director. Further Board of Directors at its meeting held on June 30<sup>th</sup> 2021 has considered, approved and adopted the recommendation of the committee for the appointment of Mr. Amarjit Kochhar as an Independent Director.

The Company has received a declaration from Mr. Amarjit Kochhar stating that he meets with the criteria of independence as prescribed under subsection (6) of Section 149 of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Mr. Amarjit Kochhar possesses appropriate skills, experience and knowledge.

Based on the recommendations of the Committee, the Board of Directors at its meeting held on June 30<sup>th</sup> 2021 has approved the proposal for appointment of Mr. Amarjit Kochhar as an Independent Director and recommends the Resolution for approval of the Members as an Ordinary Resolution as set out in the item no. 6 of the notice.

Except Mr. Amarjit Kochhar, and/or her relatives, no other Director, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

**ITEM NO. 7:**

Mr. Rajeev Khemka, (DIN: 00103260) was appointed as the WTD of the Company in the year 1985 and further appointed him as a CFO of the company w.e.f 30th January 2015. The Board at its meeting held on 01st July 2014 has approved the remuneration structure payable to Mr. Rajeev Khemka, WTD on the salary, allowance and perquisites. Further the proposed remuneration to be paid of such appointment, approval of the members is required. The remuneration proposed to be paid to Mr. Rajeev Khemka, (DIN: 00103260) the WTD Cum CFO of the Company has also been

recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Keeping in view, the vast experience of Mr. Rajeev Khemka, the Board of Directors has recommended the payment of remuneration for the period from April 1, 2022 to 31st March 2025 of such appointment as set out herein below:

- A. Period: For a period of 3 years commencing from 01st April 2022 to 31st March 2025.
- B. Salary: The gross Salary will be Rs 700,000/-per month including the Perquisites & Allowances
- C. Perquisites & Allowances: The following Perquisites & Allowances are included in gross salary
  - i. House Rent Allowance: House Rent Allowance in accordance with the rules of the Company.
  - ii. Medical Reimbursement: Expenses incurred for the appointee and his family in accordance with the rules of the Company.
  - iii. Leave Travel Concession: As per rules of the Company.
  - iv. Club Fees: As per rules of the Company.
  - v. Personal Accident Insurance: Personal Accident Insurance Cover as applicable in line with rules & policies of the Company.
  - vi. Contribution to Provident Fund: As per Company rules.
  - vii. Gratuity: As per Company rules subject to maximum of half months salary for each completed year of service.
  - viii. Encashment of leaves- As per rules of the Company at the end of tenure.

**D. General Information:**

- i. Nature of Industry: The Company engaged in the business of Manufacturing of corrugated Boxes duplex cartons and other allied related activities.
- ii. Date of Commencement of Activity: 21<sup>st</sup> January, 1983.
- iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to Rs. 39762.92 Lacs as compared to Rs. 28048.30 Lacs in the previous year

Mr. Rajeev Khemka and the relatives of Mr. Rajeev Khemka may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the company. Save and except the above, none of the other directors except Mr. Sanjeev Khemka, Ashish Khemka and Deeptanshu Khemka /Key Managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be registered as an appropriate disclosure under the Listing regulations. The Board recommends the special resolution set out as Item No.7 of the notice for approval by members.

**ITEM NO. 8:**

Mr. Sanjeev Khemka, (DIN: 00103295) was appointed as the WTD of the Company in the year 1991. The Board at its meeting held on 01st July 2014 has approved the remuneration structure payable to Mr. Sanjeev Khemka, WTD on the salary, allowance and perquisites. Further the proposed remuneration to be paid of such appointment, approval of the members is required. The remuneration proposed to be paid to Mr. Sanjeev Khemka, (DIN: 00103295) the WTD of the Company has also been recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Keeping in view, the vast experience of Mr. Sanjeev Khemka, the Board of Directors has recommended the

payment of remuneration for the period from April 1, 2022 to 31st March 2025 of such appointment as set out herein below:

A. Period: For a period of 3 years commencing from 01st April 2022 to 31st March 2025.

B. Salary: The gross Salary will be Rs 700,000/-per month including the Perquisites & Allowances

C. Perquisites & Allowances: The following Perquisites & Allowances are included in gross salary

i. House Rent Allowance: House Rent Allowance in accordance with the rules of the Company.

ii. Medical Reimbursement: Expenses incurred for the appointee and his family in accordance with the rules of the Company.

iii. Leave Travel Concession: As per rules of the Company.

iv. Club Fees: As per rules of the Company.

v. Personal Accident Insurance: Personal Accident Insurance Cover as applicable in line with rules & policies of the Company.

vi. Contribution to Provident Fund: As per Company rules.

vii. Gratuity: As per Company rules subject to maximum of half months salary for each completed year of service.

viii. Encashment of leaves- As per rules of the Company at the end of tenure.

**D. General Information:**

i. Nature of Industry: The Company engaged in the business of Manufacturing of corrugated Boxes duplex cartons and other allied related activities.

ii. Date of Commencement of Activity: 21<sup>st</sup> January, 1983.

iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to Rs. 39762.92 Lacs as compared to Rs. 28048.30 Lacs in the previous year

Mr. Sanjeev Khemka and the relatives of Mr. Sanjeev Khemka may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the company. Save and except the above, none of the other directors Mr. Rajeev Khemka, Ashish Khemka and Deeptanshu Khemka/Key Managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be registered as an appropriate disclosure under the Listing regulations. The Board recommends the special resolution set out as Item No.8 of the notice for approval by members.

**ITEM NO. 9:**

Mr. Ashish Khemka, (DIN: 00103321) was appointed as the WTD of the Company in the year 1996. The Board at its meeting held on 01st July 2014 has approved the remuneration structure payable to Mr. Ashish Khemka, WTD on the salary, allowance and perquisites. Further the proposed remuneration to be paid of such appointment, approval of the members is required. The remuneration proposed to be paid to Mr. Ashish Khemka, (DIN: 00103321) the WTD of the Company has also been recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Keeping in view, the vast experience of Mr. Ashish Khemka, the Board of Directors has recommended the payment of remuneration for the period from April 1, 2022 to 31st March 2025 of such appointment as set out herein below:

- A. Period: For a period of 3 years commencing from 01st April 2022 to 31st March 2025.
- B. Salary: The gross Salary will be Rs 700,000/-per month including the Perquisites & Allowances
- C. Perquisites & Allowances: The following Perquisites & Allowances are included in gross salary
  - i. House Rent Allowance: House Rent Allowance in accordance with the rules of the Company.
  - ii. Medical Reimbursement: Expenses incurred for the appointee and his family in accordance with the rules of the Company.
  - iii. Leave Travel Concession: As per rules of the Company.
  - iv. Club Fees: As per rules of the Company.
  - v. Personal Accident Insurance: Personal Accident Insurance Cover as applicable in line with rules & policies of the Company.
  - vi. Contribution to Provident Fund: As per Company rules.
  - vii. Gratuity: As per Company rules subject to maximum of half months salary for each completed year of service.
  - viii. Encashment of leaves- As per rules of the Company at the end of tenure.

**D. General Information:**

- i. Nature of Industry: The Company engaged in the business of Manufacturing of corrugated Boxes duplex cartons and other allied related activities.
- ii. Date of Commencement of Activity: 21<sup>st</sup> January, 1983.
- iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to Rs. 39762.92 Lacs as compared to Rs. 28048.30 Lacs in the previous year

Mr. Ashish Khemka and the relatives of Mr. Ashish Khemka may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the company. Save and except the above, none of the other directors except Mr. Sanjeev Khemka, Rajeev Khemka and Deeptanshu Khemka /Key Managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be registered as an appropriate disclosure under the Listing regulations. The Board recommends the special resolution set out as Item No.9 of the notice for approval by members

**ITEM NO. 10:**

Mr. Deeptanshu Khemka, (DIN: 07484360) was appointed as the WTD of the Company in the year 2016. Further the proposed remuneration to be paid of such appointment, approval of the members is required. The remuneration proposed to be paid to Mr. Deeptanshu Khemka, (DIN: 07484360) the WTD of the Company has also been recommended by the Nomination and Remuneration Committee. The remuneration proposed will be within the limits permissible under Schedule V to the Act. Keeping in view, the experience of Mr. Deeptanshu Khemka, the Board of Directors has recommended the payment of remuneration for the period from April 1, 2022 to 31st March 2025 of such appointment as set out herein below:

- A. Period: For a period of 3 years commencing from 01st April 2022 to 31st March 2025.
- B. Salary: The gross Salary will be Rs 700,000/-per month including the Perquisites & Allowances
- C. Perquisites & Allowances: The following Perquisites & Allowances are included in gross salary
  - i. House Rent Allowance: House Rent Allowance in accordance with the rules of the Company.

- ii. Medical Reimbursement: Expenses incurred for the appointee and his family in accordance with the rules of the Company.
- iii. Leave Travel Concession: As per rules of the Company.
- iv. Club Fees: As per rules of the Company.
- v. Personal Accident Insurance: Personal Accident Insurance Cover as applicable in line with rules & policies of the Company.
- vi. Contribution to Provident Fund: As per Company rules.
- vii. Gratuity: As per Company rules subject to maximum of half months' salary for each completed year of service.
- viii. Encashment of leaves- As per rules of the Company at the end of tenure.

**D. General Information:**

- i. Nature of Industry: The Company engaged in the business of Manufacturing of corrugated Boxes duplex cartons and other allied related activities.
- ii. Date of Commencement of Activity: 21<sup>st</sup> January, 1983.
- iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to Rs. 39762.92 Lacs as compared to Rs. 28048.30 Lacs in the previous year

Mr. Deeptanshu Khemka and the relatives of Mr. Deeptanshu Khemka may be deemed to be interested in the said resolution to the extent of their shareholding interest, if any, in the company. Save and except the above, none of the other directors Mr. Sanjeev Khemka, Ashish Khemka and Rajeev Khemka Seth /Key Managerial personnel of the company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution. This statement may also be registered as an appropriate disclosure under the Listing regulations. The Board recommends the special resolution set out as Item No.10 of the notice for approval by members

**By Order of the Board of Directors  
For M/s KCL Limited**

**Place: Faridabad  
Date: 08-09-2022**

**Sd/-  
Amit Aggarwal  
Company Secretary and Compliance Officer  
Membership No.: A28783**



## ANNEXURE TO NOTICE

### Details of Director seeking appointment/re-appointment in the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings]

<b>Name</b>	<b>Mr. Ashish Khemka</b>	<b>Mr. Sanjeev Khemka</b>
<b>DIN</b>	00103321	00103295
<b>Date of Birth</b>	27-01-1976	16-07-1968
<b>Date of first Appointment</b>	01-08-1996	01-08-1991
<b>Qualifications</b>	B.tech and MBA from UK University	B.Tech from Kurukshetra University
<b>Expertise in specific functional area</b>	26 years of vide experience in corrugated industry.	31 years of vast experience in the field of Administration, Productions and others in the Packaging industries.
<b>Directorship in other Companies *</b>	Five companies	Seven Companies
<b>Memberships / Chairmanship of Committees across all Public Companies *</b>	Member in three committees namely Audit, NRC and SRC	Member in one Committee namely CSR Committee
<b>Relationship with other Directors / Key Managerial Personnel</b>	Brother of elder son Mr. Rajeev Khemka	Brother of elder son Mr. Rajeev Khemka
<b>No. of shares held in the Company either by self or on a beneficial basis for any other person</b>	331350	264875

\* Excludes Private and Foreign Companies.

## DIRECTORS REPORT

Dear Members,

Your Directors' hereby present the 39<sup>th</sup> Annual Report on the business and operations of the Company, together with the Audited

Statements of Accounts and the Auditors' Report for the year ended 31<sup>st</sup> March, 2022.

### 1. FINANCIAL HIGHLIGHTS:

(In Lacs)

Particulars	Financial Year 2021-22	Financial Year 2020-21
Revenue from Operations	39735.56	27982.52
Other Income	27.36	65.79
<b>Total Revenue</b>	<b>39762.92</b>	<b>28048.30</b>
Purchase of Stock-in-Trade	27346.32	18740.44
Change in Inventories of finished goods, stock-in trade and work in progress	139.61	-234.68
Employee Benefit Expenses	2898.45	2525.27
Finance Cost	421.09	414.42
Depreciation and Amortization Expenses	1427.12	1587.46
Other Expenses	6083.89	4504.43
<b>Total Expenses</b>	<b>38322.00</b>	<b>27574.09</b>
Profit/ (loss) before tax	1440.92	474.21
Tax Expenses	442.63	135.13
<b>Profit for the year</b>	<b>998.29</b>	<b>339.08</b>
Other Comprehensive Income	9.16	-39.31
<b>Total Comprehensive Income</b>	<b>1007.46</b>	<b>299.77</b>

### 2. DIVIDEND AND GENERAL RESERVE:

The Board of Directors of the Company have not recommended any dividend on Equity Shares for the year under review.

### 3. REVIEW OF OPERATIONS AND STATEMENT OF COMPANY'S AFFAIRS:

During the year under review, your Company was able to achieve turnover of Rs. 39762.42 Lacs as against Rs. 28048.30 Lacs in the previous year, showing an increase of 41.76 % over the previous year.

Further your company has earned Profits after Tax for the year ended 31.03.2022 at Rs. 998.29 Lacs as against Rs. 339.08 Lacs in the previous year ended 31.03.2021 showing an increase in profit of 194.41 % in comparison to the previous year.

### 4. CHANGE IN THE NATURE OF BUSINESS:

There were no changes in the nature of business of the Company during the financial year.

## **5. SHARE CAPITAL**

The Authorized Share Capital of the Company is INR 3,00,00,850 divided into 30,000,85 Shares of INR 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 2020-21, in share capital of the Company by way of Public/ Rights/Bonus/preferential issues/ buy back, conversions etc. or any other changes.

## **6. AMOUNT TRANSFERRED TO RESERVES**

The Board of Directors of the Company have not transferred any amount to the Reserves for the year under review.

## **7. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the year 2021-22 Mr. Amarjit Kochhar (Non-Executive Independent Director) was appointed in the Board as an Additional Director of the Company with effect from 30<sup>th</sup> June 2021.

Further Mr. Salil Narang (Non-Executive Independent Director) was appointed as an Additional Director of the Company with effect from 22<sup>nd</sup> February, 2022.

During the year, the Board of Directors of the Company is comprised of following directors:

<b>S. NO</b>	<b>Name of the Directors</b>	<b>Designation</b>
1	Mr. Rajeev Khemka	WTD CUM CFO
2	Mr. Sanjeev Khemka	WTD
3	Mr. Ashish Khemka	WTD
4	Mr. Deeptanshu Khemka	WTD
5	Mr. Sanjeev Jain	Independent Director
6	Mrs. Chandra Kala Khemka	Woman Director Non-Executive Non Independent Director
7	Mr. Amarjit Kochhar	Independent Director
8	Mr. Salil Narang	Independent Director
9	Mr. Rahul Jain*	Independent Director

\* Mr. Rahul Jain (Director in the company having DIN: 02422075) has not attended any of the meeting in the complete FY 2021-22. As per Section 167 of the Companies Act, 2013 if a director absence himself from all the meetings of the board of directors held during a period of 12 months with or without seeking leave of absence of the Board, therefore as per the aforementioned provision, Rahul Jain shall vacate the office of director from the company. Also would like to state here that the company in their board meeting held on 08-04-2022 confirm his vacation of office under section 167 (2) of the companies Act 2013 and filed his requisite E-form DIR-12 to the ROC, NCT of Delhi and Haryana. The same was pending for approval with the concerned ROC.

## **8. SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standards i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly complied with by the Company.

## **9. DIRECTORS' RESPONSIBILITY STATEMENT:**

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:

- (i) in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2022, the applicable accounting standards have been followed and there are no material departures from the same;
- (ii) such accounting policies have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2022 and of the profit or loss of the Company for that period;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- (iv) the Directors have prepared the annual accounts on a going concern basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (vi) 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.

## **10. AUDITORS & AUDITORS' REPORT**

### **Statutory auditors:**

M/s Deepanshu A Goel & Associates, Chartered Accountants (Firm Registration No. 038933N), were appointed as Statutory Auditors of the Company for a term of five consecutive years, at the 39<sup>th</sup> Annual General Meeting held on September 30, 2022 and accordingly their tenure shall end at the conclusion of the 44<sup>th</sup> Annual General Meeting. The Board of Directors propose to appoint M/s. M/s Deepanshu A Goel & Associates, Chartered Accountants as Statutory Auditors of the Company in place of M/s Rohit Baid & Co., Chartered Accountants for the period of 5 consecutive years from the conclusion of the 39<sup>th</sup> Annual General Meeting till the conclusion of 44<sup>th</sup> Annual General Meeting. M/s. Deepanshu A Goel & Associates, Chartered Accountants have confirmed their eligibility and qualifications required under the Act for holding office as Statutory Auditors of the Company.

### **Auditors' Qualifications and Management's Reply:**

### **Details of Audit Qualifications:**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report contain some qualification.

*We draw attention to note 6 & 7 in the standalone financial results regarding, the Company has investment in equity shares and loans given to its related party company M/s KCL Milk Products India Pvt. Ltd amounting to Rs.49 Lacs & Rs.989.96 Lacs respectively. This related party has negative net current assets and it has negative net worth. As described in the aforementioned note, the management, basis its internal assessment, has considered such balances as fully recoverable. However, the management has not carried out a detailed and comprehensive impairment testing in accordance with the principles of Indian Accounting Standard – 36, "Impairment of Assets" and Indian Accounting Standard – 109, "Financial Instruments". In the absence of sufficient appropriate audit evidence to support the management's aforesaid assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these investments & loans and its consequential impact on the accompanying financial results and financial position of the Company for the quarter and year ended March 31, 2022.*

### **Management's Reply**

Management fully trying to approach the prospective buyers, however, due to COVID-19 pandemic and market recession unable to search the prospective buyers and therefore the same is not determinable as also given in Note no.6 & 7 of the standalone financial results which is self-explanatory.

### **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors appointed M/s. Vikas Verma & Associates, Company Secretaries, having its registered office at B-502, Statesman House, 148, Barakhamba Road, New Delhi – 110001 as Secretarial Auditor for the year 2021-2022. The Report of the Secretarial Audit is annexed herewith as **Annexure-1**. The said Secretarial Audit Report contains qualifications and these are mentioned below in tabular form.

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary	Management Reply in respect of the various observations related to the SEBI (LODR) Regulations 2015
1.	Regulation 33 of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015	Delay in submission of financial statements along with Limited Review Report for the following quarter ended:  1. The financial statements for the quarter ended 30th June, 2021 and 31st September, 2021 were	1. For the Quarter ended 30th June, 2021 and 30th September, 2021- Consolidated filing was done for both the quarters on 01st February, 2022	The entire world is struggling with COVID-19 pandemic during that time and most of the place being locked down specially

		<p>submitted together after the end of quarter.</p> <p>2. The financial statements for the quarter ended 31st December, 2021 were submitted after the due date.</p> <p>3. The financial Results for the quarter ended 31st march 2022 are submitted by the company.</p>	<p>2. For the Quarter ended 31st December, 2021- filing was done on 03rd March, 2022</p> <p>3. For the Quarter ended 31st March, 2022- the audited standalone and consolidated financial results have been submitted by the company to the exchange on dated 05.08.2022. Therefore there has been a delay in filling approx. 66 days. And further the company has received a penalty letter from the exchange (MSEI)</p>	<p>the place where the registered office and corporate office of the company is situated, which resulting the company could not be operational with good pace. Further the data kept in office also could not be accessed by the concerned person from the place of working at home during the lock down. Most of the employees of the company and their families are also infected by covid. Therefore submission of the financial statements to the Stock exchange as per Regulation 33(3)(a) of SEBI (LODR) Regulations, 2015 was not made within time.</p> <p>We hereby give a reasonable assurance to all the members and</p>
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				stakeholders that such non-compliance will not occur in future
2.	In pursuant to Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015	Company has not filed with stock exchange intimations for closure of trading window	Company has not filed with the stock exchange intimations for closure of trading window during financial year 2021-22.	We will take care the compliances, so that the same will not occur in future.
3.	Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	As on 31st March, 2022, company's paid up capital is Rs. 3, 00, 00, 850 and Net worth is Rs. 97, 22, 77, 586. As per Regulation 15(2) the compliance with the corporate governance provisions as specified in regulations 17, 50[17A,] 18, 19, 20, 21, 22, 23, 24, 51[24A,] 25, 26, 27 and clauses (b) to (i) 52 [and (t)] of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of -(a) 53[a] listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. As net worth is exceeding the exemption limit, therefore, regulation becomes applicable on the company.	As per our opinion, the net worth is exceeding the exemption limit, therefore, As per Regulation 15(2) the compliance with the Corporate governance provisions as specified in regulations 17, 50[17A,] 18, 19, 20, 21, 22, 23, 24, 51[24A,] 25, 26, 27 and clauses (b) to (i) 52 [and (t)] of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V becomes applicable on the company. However the company secretary of the company has taken up this matter before the board in the board meeting held on 08.04.2022 and further as discussed in the meeting the board had an opinion to	We would like to clarify that the company is claiming exemption under regulation 15(2) of SEBI LODR) 2015 as the provisions of Corporate Governance shall not be applicable on the listed entities having paid up equity share capital not exceeding Rs 10 crore. Therefore in our case the paid up share capital is Rs 30000850. Further the company has also taken a legal opinion from reputed practicing company secretaries (M/s Pradeep Debnath & Co.) and accordingly

			<p>take external legal opinion from practicing professional and accordingly act on the same and also inform the exchange. Thereafter the company has taken the opinion from Pradeep Debnath &amp; company (Company Secretaries Firm) for non-applicability of Corporate Governance (Regulation 27 of SEBI (LODR) Regulations, 2015) on KCL Limited. Also, he informed that the company has sent non-applicability of corporate governance report to the MSEI (Stock exchange) but no revert was received from their end.</p>	<p>informed the exchange where the shares of the company are listed.</p>
4.*	As per Regulation 38 of SEBI (LODR) Regulations, 2015	As per the shareholding pattern submitted by the company on the stock exchange in which it mentioned promoters shareholding as 60.40% and public shareholding is 39.60%, however, Public shareholding includes 4 shareholders namely khemka leasing private limited holding 16.15%, Khemka Packaging private Limited as 6.67%, Khemka Knitwear Private Limited holding 0.32% and Ginni	As per Regulation 38 of SEBI (LODR) Regulations, 2015 the listed entity shall comply with the minimum public shareholding requirements specified in Rule 19 (2) and Rule 19 A of the Securities Contracts (Regulation) Rules, 1957 in the manner as	<p>As per Rule 19A of the SEBI (SCRA) 1957, Continuous Listing Requirement.</p> <p>(1) Every listed company [other than public sector company] shall maintain public shareholding</p>



		<p>Packaging Private Limited holding 4.46 %. During the audit conducted by us, we observed that the promoters of these 4 entities are same as KCL Limited Promoters.</p> <p>As per the Regulation 2 (pp) (iv) (A) of SEBI (ICDR), Regulations, 2018 in case of promoter is an individual: anybody corporate in which twenty per cent or more of the equity share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which promoter or any one or more of their relative is a member, Hence, these 4 entities shall be mentioned in promoters &amp; promoters group in KCL Limited also. Further, after including these 4 entities in promoters group, the promoter's shareholding exceeds 75%.</p>	<p>specified by the board from time to time. Further, Rule 19 A of the Securities Contracts (Regulation) Rules, 1957 prescribes that a listed entity must have at least 25 per cent of public shareholding, that is, anyone other than a promoter. However, in KCL Limited promoter shareholding exceeds 75% which means the public shareholding is less than 25% which is the contravention of abovementioned provisions.</p>	<p>of at least twenty five per cent.</p> <p><b><i>(2) Where the public shareholding in a listed company falls below twenty five percent at any time, such company shall bring the public shareholding to twenty five percent within a maximum period of twelve months from the date of such fall in the manner specified by the Securities and Exchange Board of India.</i></b></p> <p>Further in case management of the company fails to bring the public shareholding upto 25 percent, then in that case, the management go for Delisting of Securities from the exchange as per the norms prescribed under SEBI (Delisting of Equity Shares) Regulations 2021</p>
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**\*Note:** As per Regulation 38 of SEBI (LODR) Regulations, 2015

*In order to achieve the minimum level of public shareholding specified in Rule 19(2)(b) and/or Rule 19A of the Securities Contracts (Regulation) Rules, 1957, the Listed Entity shall adopt any of the following methods :-*

- i. Issuance of shares to public through prospectus;
- ii. Offer for sale of shares held by promoters to public through prospectus;
- iii. Sale of shares held by promoters through the secondary market in terms of SEBI circular CIR/MRD/DP/05/2012 dated February 1, 2012;
- iv. Institutional Placement Programme (IPP) in terms of Chapter VIIIA of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- v. Rights Issue to public shareholders, with promoter/promoter group shareholders forgoing their entitlement to equity shares, that may arise from such issue;
- vi. Bonus Issues to public shareholders, with promoter/promoter group shareholders forgoing their entitlement to equity shares, that may arise from such issue;
- vii. Open market sale: Sale of shares held by the promoters/promoter group up to 2% of the total paid-up equity share capital of the listed entity in the open market, subject to five times' average monthly trading volume of the shares of the listed entity;
- viii. Qualified Institutions Placement: Allotment of eligible securities through Qualified Institutions Placement in terms of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

**Internal Auditor:**

Pursuant to the provision of Section 134 of companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M.L Bhansali & Co. is being appointed as an Internal Auditor of the Company for the financial year 2022-23.

**11. LISTING OF SECURITIES**

The Company is listed on the MSEI and is regular in paying the annual listing fee to the stock exchange.

**12. MEETINGS OF THE BOARD AND OTHER COMMITTEES:**

**Meetings of the Board**

During the year, the Board of Directors met 11 (eleven) times during the financial year 2021-22 including adjourned meeting, the details of which are given below in the tabular form of this Annual Report. The maximum interval between any two meetings did not exceed 120 days.

The Board held eleven meetings during the period ended on 31<sup>st</sup> March, 2022 i.e., on (i) 30<sup>th</sup> June 2021, (ii) 24<sup>th</sup> July 2021, (iii) 30<sup>th</sup> July 2021, (iv) 04<sup>th</sup> October 2021, (v) 26<sup>th</sup> October, 2021, (vi) 13<sup>th</sup> Nov 2021, (vii) 03<sup>rd</sup> December 2021, (viii) 11<sup>th</sup> Dec 2021, (ix) 20<sup>th</sup> December 2021, (x) 22<sup>nd</sup> January 2022, (xi) 22<sup>nd</sup> February 2022

Attendance at the meetings of the Board during the financial year ended 31<sup>st</sup> March 2022 was as follows:

<b>Name of the Director</b>	<b>Category</b>	<b>No. of meetings held</b>	<b>No. of meetings attended</b>
Mr. Rajeev Khemka	Whole time Director cum CFO	11	11
Mr. Sanjeev Khemka	Whole Time Director	11	10
Mr. Ashish Khemka	Whole Time Director	11	11
Mr. Deeptanshu Khemka	Whole Time Director	11	10
Mrs. Chandra Kala Khemka	Woman Director cum Non-executive and non-independent Director	11	1
Mr. Sanjeev Jain	Independent Director	11	8
Mr. Amarjit Kochhar	Independent Director	11	2
Mr. Salil Narang	Independent Director	11	Nil
Mr. Rahul Jain	Independent Director	11	Nil

#### **Other Committee**

The following Committees constituted by the Board function according to their respective roles and defined scope:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee.

Details of composition, terms of reference and number of meetings held for respective committees are given in the Report on Corporate Governance, which forms a part of this Annual Report. During the year under review, all recommendations made by the various committees have been accepted by the Board.

#### **13.DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received declaration from independent directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

#### **14.POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The current policy is to have an appropriate combination of executive and independent directors to maintain the independence of the Board. As on 31<sup>st</sup> March 2022, the Board consisted of 8 members, four of whom was Whole Time Director and three were independent directors and one is woman cum non-executive cum non independent Director. The Board will annually evaluate the need for change in its composition and size. The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Section 178(3) of the Companies Act, 2013, adopted by the Board. The remuneration paid to the directors is as per the terms of the companies act 2013 and accordingly as per the recommendations of the Nomination and Remuneration committee of the Company.

#### **15.BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, Independent Directors at their meeting held in the financial year 2021-22 and without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, Performance of the Chairman and other Non-independent Directors. SEBI (LODR) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. The Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the Board of Directors, excluding the director being evaluated. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

#### **16.RISK MANAGEMENT**

The Board takes responsibility for the overall process of risk management throughout the organization. Through an Enterprise Risk Management programme, our business units and corporate functions address risks through an institutionalized approach aligned to our objectives. This is facilitated by corporate finance. The Business risk is managed through cross-functional involvement and communication across businesses. The results of the risk assessment are presented to the senior management.

#### **17.PUBLIC DEPOSITS**

During the period, the company has not received any public deposits, however during the period the company was received an advance payment from foreign customer in respect of job work from namely M/s Enviroway which has exceeded 365 days.

#### **18.CORPORATE GOVERNANCE**

During the period the provisions of Corporate Governance has not been applicable on the company. Further the company has also taken an opinion from M/s Pradeep Debnath & Co. Ex-chairman of NIRC of ICSI (Practicing Company Secretaries) for non- applicability of Corporate Governance (Regulation 27 of SEBI (LODR) Regulations, 2015) on KCL Limited. Moreover the company has also intimate to the exchange where the shares of the company have been listed. In turn, the company has not received any response from the exchange.

## **19.BUSINESS RESPONSIBILITY REPORT (BRR)**

Securities Exchange Board of India (SEBI) vide circular CIR/CFD/DIL/8/2012 dated August 13, 2012 has mandated the inclusion of BRR as part of the Annual Report for the top 100 listed entities. In view of the requirements specified, the Company is not mandated for the providing the BRR and hence do not form part of this Report.

## **20.MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

Management Discussion and Analysis Report as stipulated under Regulation 34(3) read with Schedule-V of the SEBI (LODR) Regulations, 2015 is presented in a separate section in this Annual Report.

## **21.CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(A) Conservation of energy: N.A.

- (i) The steps taken or impact on conservation of energy;
- (ii) The steps taken by the Company for utilizing alternate sources of energy;
- (iii) The capital investment on energy conservation equipment's;

(B) Technology absorption: N.A.

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year:-
  - (a) the details of technology imported;
  - (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

(C) Foreign exchange earnings and Outgo:

The Company had no foreign exchange earnings and outgo during the financial year

## **22.WHOLE TIME DIRECTOR & CFO AND FINANCE MANAGER CERTIFICATION**

As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015, the Whole Time Director & CFO and Finance Manager's Certification is at **Annexure-II**.

## **23.MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

During the Financial Year 2021-22, there have been no material changes and commitments affecting the financial position of the Company.

## **24.SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

During the year under review, a wholly owned subsidiary company was incorporated namely M/s KCL Paper Mill Private Limited, owned by M/s KCL Limited on dated 21.04.2021. However, due to unavoidable circumstances, the company has not commenced any business operations in the subsidiary company for the period ended 31.03.2022.

## **25.TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid in previous years.

## **26.STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS**

According to Section 134(5) of the Companies Act, 2013, the term "Internal Financial Control (IFC)" means the policies and procedures adopted by the Company for ensuring the orderly and efficient conduct of its 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 adequate internal control procedures commensurate with the size, scale and complexity of its operations.

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

The details of Loans and Investments and guarantees covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

## **28.CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions or which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 and the same is attached to this report. **(Annexure III).**

All the contracts / arrangements / transactions entered by the Company during the financial year with related parties were in its ordinary course of business and on an arm's length basis. Your Directors draw attention of the Members to Note 45 (i) & (ii) of Notes on Accounts to the financial statement which sets out related party disclosures.

There were no transactions of material nature with Directors/ Promoters or any related entity, which will have any potential conflict with the interests of the Company at large.

## **29. ANNUAL RETURN**

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for FY 2021-22 is available on Company's website at <http://kcl.co.in/Investors.aspx>

## **30.PARTICULARS OF EMPLOYEES**

### **PARTICULARS OF EMPLOYEES AS PER RULE 5(2) OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

As regards information under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, we have to state as under:-

- (a) That none of the employees, if employed throughout the financial year, was in receipt of remuneration for that year, which in the aggregate was not less than INR 1,02,00,000 (one crore and two lakh rupees);
- (b) That none of the employees, if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in the aggregate was not less than INR 8,50,000 per month (eight lakh and fifty thousand rupees per month);
- (c) That none of the employees, if employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

## **31.THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act “The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013” has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

During the year under review, there was no employee on the payroll of the Company, as the production of the Company is discontinued with effect from July, 2013. Therefore, the reporting requirements under the Sexual Harassment of Women at The Workplace (Prevention, Prohibition & Redressal) Act, 2013 is not applicable.

### **32.CORPORATE SOCIAL RESPONSIBILITY [CSR]:**

As per the Audited Financial Statements of the Company for the year 2020-21, 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 re-constituted by the board of directors of the company in their meeting held on 22<sup>nd</sup> February 2022 consisting of following persons as Members/ Chairman:

S.No	Name of the Director	Designation
1	Mr. Rajeev Khemka, Director	Chairman
2	Mr. Sanjeev Khemka, Director	Member
3	Mr. Amarjit Kochhar, Independent Director	Member

During the year 2021-22, the Company had identified certain projects/ activities on which the CSR expenditure for the financial year 2021-22 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-iv forming part of this Report.

### **33.SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS:**

There are no significant and material order passed by the regulators or Courts or Tribunal’s Impacting the going concern status of our Company and its operation in future.



### **34. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors and employees to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The vigil mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. No person has been denied access to the Chairperson of the Audit Committee. The policy of vigil mechanism is available on the Company's website at <http://www.kcl.co.in>

### **35. STATEMENT ON OTHER COMPLIANCES**

Your director 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 with differential voting rights as to dividend, voting or otherwise;
- c. Issue of shares (including sweat equity shares and employees' stock options schemes) to employees of the Company.
- d. Neither the Managing Director nor any of the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries;
- e. Fraud reported by the Auditors to the Audit Committee or the Board of Directors of the Company;
- f. Scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- g. Payment of remuneration or commission from any of its holding or subsidiary companies to the Managing Director of the Company;
- h. Issue of debentures/bonds/warrants/any other convertible securities.
- i. Details of any application filed for Corporate Insolvency under Corporate Insolvency Resolution Process under the Insolvency and Bankruptcy Code, 2016.
- j. Instance of one-time settlement with any Bank or Financial Institution.

### **ACKNOWLEDGEMENTS**

The Directors regret the loss of life due to COVID-19 pandemic and are deeply grateful and have immense respect for every person who risked their life and safety to fight this pandemic. The Directors wish to convey their appreciation to all of the Company's employees for their contribution towards the Company's performance. The Directors would also like to thank the shareholders, employees, customers, dealers, suppliers, bankers, governments and all other business associates for their continuous support to the Company and their confidence in its management.

**For and on behalf of the Board of Directors  
M/s KCL Limited**

Mr. Rajeev Khemka  
WTD cum CFO

Mr. Ashish Khemka  
Whole time Director

**Place: Faridabad  
Date: 08-09-2022**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31/03/2022**

To,  
The Members,  
**KCL LIMITED,**  
E-292, SARITA VIHAR,  
NEW DELHI-110044

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 expressing my opinion thereon.

Based on our verification of the **KCL Limited** 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, 2022 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** for the financial year ended on 31<sup>st</sup> March, 2022, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *(No transaction has been recorded during the Audit Period)*

- g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(No transaction has been recorded during the Audit Period)*

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 labor laws.
2. Employees State Insurance Act, 1948
3. Maternity Benefit Act, 1961
4. Payment Gratuity Act, 1972
5. Factories Act, 1949
6. Environmental Act, and its allied applicable laws

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements/ Regulations including the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into by the Company with Stock Exchange(s).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above save and except the following:-

- (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	<p>Delay in submission of financial statements along with Limited Review Report for the following quarter ended:</p> <p>2. The financial statements for the quarter ended 30<sup>th</sup> June, 2021 and 31<sup>st</sup> September, 2021 were submitted together after the end of quarter.</p> <p>2. The financial statements for the quarter ended 31<sup>st</sup> December, 2021 were submitted after the due date.</p> <p>3. The financial Results for the quarter ended 31<sup>st</sup></p>	<p>4. For the Quarter ended 30<sup>th</sup> June, 2021 and 30<sup>th</sup> September, 2021- Consolidated filing was done for both the quarters on 01<sup>st</sup> February, 2022</p> <p>5. For the Quarter ended 31<sup>st</sup> December, 2021- filing was done on 03<sup>rd</sup> March, 2022</p> <p>6. For the Quarter ended 31<sup>st</sup> March, 2022- the audited standalone and consolidated financial results have been submitted by the company to the exchange on dated</p>

		march 2022 are submitted by the company.	05.08.2022. Therefore there has been a delay in filling approx. 66 days. And further the company has received a penalty letter from the exchange (MSEI)
2.	In pursuant to Schedule B of the SEBI (Prohibition of Insider Trading) Regulations, 2015	Company has not filed with stock exchange intimations for closure of trading window	Company has not filed with the stock exchange intimations for closure of trading window during financial year 2021-22.
3.	Regulation 15 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	As on 31st March, 2022, company's paid up capital is Rs. 3, 00, 00, 850 and Net worth is Rs. 97, 22, 77, 586. As per Regulation 15(2) the compliance with the corporate governance provisions as specified in regulations 17, 50[17A,] 18, 19, 20, 21, 22, 23, 24, 51[24A,] 25, 26, 27 and clauses (b) to (i) 52 [and (t)] of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of -(a) 53[a] listed entity having paid up equity share capital not exceeding rupees ten crore and net worth not exceeding rupees twenty five crore, as on the last day of the previous financial year. As net worth is exceeding the exemption limit, therefore, regulation becomes applicable on the company.	As per our opinion, the net worth is exceeding the exemption limit, therefore, As per Regulation 15(2) the compliance with the corporate governance provisions as specified in regulations 17, 50[17A,] 18, 19, 20, 21, 22, 23, 24, 51[24A,] 25, 26, 27 and clauses (b) to (i) 52 [and (t)] of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V becomes applicable on the company. However the company secretary of the company has taken up this matter before the board in the board meeting held on 08.04.2022 and further as discussed in the meeting the board had an opinion to take external legal opinion from practicing professional and accordingly act on the same and also inform the exchange. Thereafter the company has taken the

			<p>opinion from Pradeep Debnath &amp; company (Company Secretaries Firm) for non-applicability of Corporate Governance (Regulation 27 of SEBI (LODR) Regulations, 2015) on KCL Limited. Also, he informed that the company has sent non-applicability of corporate governance report to the MSEI (Stock exchange) but no revert was received from their end.</p>
4.	As per Regulation 38 of SEBI (LODR) Regulations, 2015	<p>As per the shareholding pattern submitted by the company on the stock exchange in which it mentioned promoters shareholding as 60.40% and public shareholding is 39.60%, however, Public shareholding includes 4 shareholders namely khemka leasing private limited holding 16.15%, Khemka Packaging private Limited as 6.67%, Khemka Knitwear Private Limited holding 0.32% and Ginni Packaging Private Limited holding 4.46 %. During the audit conducted by us, we observed that the promoters of these 4 entities are same as KCL Limited Promoters.</p> <p>As per the Regulation 2 (pp) (iv) (A) of SEBI (ICDR), Regulations, 2018 in case of promoter is an individual: anybody corporate in which twenty per cent or more of the equity share capital is held by the promoter or an</p>	<p>As per Regulation 38 of SEBI (LODR) Regulations, 2015 the listed entity shall comply with the minimum public shareholding requirements specified in Rule 19 (2) and Rule 19 A of the Securities Contracts (Regulation) Rules, 1957 in the manner as specified by the board from time to time. Further, Rule 19 A of the Securities Contracts (Regulation) Rules, 1957 prescribes that a listed entity must have at least 25 per cent of public shareholding, that is, anyone other than a promoter. However, in KCL Limited promoter shareholding exceeds 75% which means the public shareholding is less than 25% which is the contravention of abovementioned provisions.</p>

		immediate relative of the promoter or a firm or HUF in which promoter or any one or more of their relative is a member, Hence, these 4 entities shall be mentioned in promoters & promoters group in KCL Limited also. Further, after including these 4 entities in promoters group, the promoter's shareholding exceeds 75%.	
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(b) Except as mentioned above, the listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.

During the period under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above except to the extent as mentioned below:

1. During the period under review, we have observed that the company has filed the following forms beyond the prescribed time with the additional fees:
  - MGT-15 (Filing Report on Annual General Meeting)
  - Form CHG-1 (10500414)
  - Form CHG-1 (100431295)
  - Form MGT-14 (for approval of board report)
2. During the period under review, an advance payment was received from foreign customer namely M/s Enviroway which has exceeded 365 days. Therefore as per the relevant provisions of section 73 of the Companies Act, 2013 the same shall be treated as deposit.
3. During the period under review, we have observed that Mr. Sanjeev Jain and Mr. Rahul Jain are covered under the definition of relatives as per Section 2 (77) of the Companies Act 2013 read with related rules issued thereon including any statutory modification, amendment thereof as may issue from time to time, therefore still are shown as independent directors in the company master data which is contravention of Section 149 (6) of the Companies Act 2013.
4. During the period under review, we have observed that Mr. Rahul Jain (Director in the company having DIN: 02422075) has not attended any of the meeting in the complete FY 2021-22. *As per Section 167 of the Companies Act, 2013 if a director absence himself from all the meetings of the board of directors held during a period of 12 months with or without seeking leave of absence of the Board*, therefore as per the aforementioned provision Rahul Jain shall vacate the office of director from the company. Also would like to state here that the Company has also filed the requisite E-form DIR-12 to the ROC on dated 09.04.2022
5. Mr. Sanjeev Jain having DIN: 00011248 was appointed as an additional director in the company with effect from 10<sup>th</sup> September, 2019, he was regularized in FY 2020-21 however the E-form DIR-12 is yet to filed.

6. Mr. Amarjit Kochhar having DIN: 08645111 was appointed as an Additional Director in the company with effect from 30<sup>th</sup> June, 2021, however in the ensuing Annual General Meeting he was not regularized by the company and till time his name appears on MCA portal as an Additional Director.
7. During the period under review, we observed that Mr. Rahul Jain and Mr. Sanjeev Jain, Independent Directors of the company are not registered on the Independent Directors Databank.
8. The members of the company in their meeting held in FY 2014-15 approved that maximum limit of remuneration of each whole time Directors of the company to the tune of Rs 42 lakhs including 3 lakhs perquisites. However, as per audited balance sheet for the year ended 31<sup>st</sup> March 2022, the company has given remuneration of Rs. 46 lakhs to Mr. Rajeev Khemka, CFO Cum WTD of the company, therefore this is the breach of Section 197 of Companies Act, 2013.

**We further report that:**

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

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

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.

**For M/s Vikas Verma & Associates  
Company Secretaries  
(FRN: P2012DE081400)**

**Date: 08-09-2022  
Place: New Delhi  
UDIN: A043231D000942305**

**Vivek Rawal  
Partner  
Membership No. A43231  
CP No. 22687**



**To,**

**The Members,  
KCL LIMITED,  
E-292, SARITA VIHAR,  
NEW DELHI-110044**

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

- I. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- II. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- III. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- IV. Wherever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
- V. The Compliance of provisions of corporate and other applicable laws, rules, regulations & standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- VI. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

**For M/s Vikas Verma & Associates  
Company Secretaries  
(FRN: P2012DE081400)**

**Date: 08-09-2022  
Place: New Delhi  
UDIN: A043231D000942305**

**Vivek Rawal  
Partner  
Membership No. A43231  
CP No. 22687**

**Certificate from the Whole Time Director & CFO and DGM Finance**  
**[As required under Regulation 17(8) of the SEBI (LODR) Regulations, 2015]**

We, Mr. Rajeev Khemka, Whole Time Director & CFO and Mrs. Amrit Bhatnagar, DGM Finance of M/s KCL Limited, certify that:

1. We have reviewed financial statements and the cash flow statement for the period and that to the best of our knowledge and belief:
  - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. these statements give a true and fair view of the Company's affairs and of the results of operations and cash flow. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations.
2. To the best of our knowledge and belief, no transactions were entered into by the Company during the year that is fraudulent, illegal or violates the Company's code of conduct.
3. We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of its adequacy and effectiveness. Internal audit interacts with all levels of Management and statutory auditors, and reports significant issues to the Audit Committee of the Board. The Auditors' and the Audit Committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors' and Audit Committee:
  - a. significant changes in internal control and overall financial reporting during the period;
  - b. significant changes in accounting policies during the period;
  - c. instances of significant fraud of which we have become aware of and which involve Management or employees, who have significant role in the Company's internal control system over financial reporting. However, during the period there were no such changes or instances.

**Date:**

**Place: Faridabad**

**Rajeev Khemka**

**Whole Time Director & CFO**

**DIN: 00103260**

**Amrit Bhatnagar**

**DGM Finance**

**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 arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

**M/s KCL Limited** has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length basis during financial year 2021-22.

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

**M/s KCL Limited** has entered into contract or arrangement or transaction with its related parties which is at arm's length basis during financial year 2021-22 are as follows:

Name of Related Party and Nature of Relationship	Nature of contracts/ arrangement/ transactions	Duration of contracts/ arrangement/ transactions	Salient terms of contracts/ arrangements/ transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advance, if any
Mrs. Chander Kala Khemka	Rent Paid	As per Contract	26,40,000		Nil
Mr. Ashish Khemka	Rent Paid	As per Agreement	1,80,000		Nil
Mrs. Vandana Khemka, W/o Rajeev Khemka	Rent Paid	As per Agreement	1,80,000		Nil
Mrs. Vandana Khemka, W/o Sanjeev Khemka	Rent Paid	As per Agreement	1,80,000		Nil

Date: 08-09-2022

Place: Faridabad

Rajeev Khemka

Whole Time Director & CFO

DIN: 00103260

**Declaration on Code of Conduct**  
**[As required under Regulation 34(3) of the SEBI (LODR) Regulations, 2015]**

This is to confirm that the Board has laid down a Code of Conduct for all Board members and senior management personnel of the Company. It is further confirmed that all directors and senior management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31<sup>st</sup> March 2022, as envisaged in Regulation 34(3) of SEBI (LODR) Regulations, 2015.

**Date: 08-09-2022**  
**Place: Faridabad**

**Rajeev Khemka**  
**Whole Time Director & CFO**  
**DIN: 00103260**

### 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 duly re-constituted committee of the CSR is given below:

Sl. No.	Name	Designation
01	Mr. Rajeev Khemka	Chairman
02	Mr. Sanjeev Khemka	Member
03	Mr. Amarjit Kochhar	Member/Independent Director

2. Average net profit of the company for last three financial years for the purpose of computation of CSR - Rs 5.17 Cr.
3. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.10.34 Lacs
4. 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. 14.69 Lacs
  - (b) Amount unspent: Nil
  - (c) Manner in which the amount spent during the financial year: Attached
5. 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.
6. 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.

(Rajeev Khemka)  
Chairman 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 program s 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	Khemka Charitable Trust	Charitable Activities (Promoting education, health care and environmental sustainability)	Faridabad	14.69 lacs	Direct Expenditure	14.69 lacs	Direct

(Rajeev Khemka)  
Chairman CSR Committee

## **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, automotives, FMCG 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 overhead 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 2021-22, 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.



## **ROHIT BAID & CO.**

CHARTERED ACCOUNTANTS

2B/49, N.I.T.

FARIDABAD-121001

Ph.: 09953450129

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### **INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF KCL LIMITED**

#### **Report on the Audit of the Standalone Ind AS Financial Statements**

##### **Qualified Opinion**

We have audited the accompanying standalone Ind AS financial statements of KCL LIMITED (the 'Company'), which comprise the Balance Sheet as at 31 March 2022, 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 notes to the standalone Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid Ind AS standalone financial statements give the information required by the Companies Act, 2013, as amended (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 2022, 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 Qualified Opinion**

As stated in note 4.2 & 7.1 in the accompanying statement of standalone financial statements, the Company has investment in equity shares and loans given to its related party company M/s KCL Milk Products India Pvt Ltd amounting to Rs.49 Lacs & Rs.989.96 Lacs respectively. This related party has negative net current assets and it has negative net worth. As described in the aforementioned note, the management, basis its internal assessment, has considered such balances as fully recoverable. However, the management has not carried out a detailed and comprehensive impairment testing in accordance with the principles of Indian Accounting Standard – 36, "Impairment of Assets" and Indian Accounting Standard – 109, "Financial Instruments". In the absence of sufficient appropriate audit evidence to support the management's aforesaid assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these investments & loans and its consequential impact on the accompanying standalone financial statements.

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 Standalone Ind AS 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 qualified opinion on the standalone Ind AS financial statements.

### **Key Audit Matters**

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 standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

### **Emphasis of matter**

1. We draw attention to note 41(3) in the accompanying statement of standalone financial statements, wherein it has been stated that the company had received certain concerns raised by one of director of the company with respect to matters of corporate governance and other procedural aspects of financial accounting of the company. As per the information and explanations given to us, management believes that there would be no impact of the same on these financial statements.

Our conclusion is not modified in respect of this matter.

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

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 standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 standalone Ind AS 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, as for the year ended March 31, 2022 the other information has not yet been prepared and not yet approved by Board of Directors.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act

with respect to the preparation of these standalone Ind AS 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error

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

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

### **Auditors' Responsibility for the audit of the Standalone Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 Standalone Ind AS financial statements.

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 standalone Ind AS 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 standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS 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**

1. 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
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) Except for the matter described in the Basis for Qualified Opinion paragraph, 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 including the Statement of Other Comprehensive Income, 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) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
  - g) With respect to the adequacy of the internal financial controls with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in “**Annexure-B**”; and
  - h) 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, as amended 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 standalone Ind AS financial statements as referred to in Note No.41.1, 41.7 & 41.8 to the Ind AS standalone 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.
  - a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 52(vii) to the Standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 52(viii) to the Standalone financial statements, no funds have been received by the Company from any person(s) or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in

other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

- v. No dividend declared or paid during the year by the company and therefore reporting under this clause for compliance with section 123 of the Companies Act, 2013, is not applicable on the company.

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

CA ROHIT BAID  
Proprietor  
Membership No. 535947

Place: Faridabad  
Date: 05.08.2022

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

(Referred to in paragraph 2 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 2022, we report that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets

(b) According to the information and explanations given to us, all property, plant and equipment have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given by the management, the title deeds of immovable properties (other than self-constructed buildings and properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), included in property, plant and equipment are held in the name of the Company except as reported in note 41.1 of notes on standalone financial statements.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2022.

(e) There are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

- ii. (a) According to the information and explanations given to us, the management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

- (c) During the year, the Company has been sanctioned working capital limits in excess of Rs.5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks, which are in agreement with the books of account other than those as set out below:

Name of Bank	Aggregate	Nature of	Quarter	Amount	Amount as	Difference	Reasons for
	Fund based working capital limits sanctioned (Rs. in Lacs)	Current Asset offered as Security	Ended	disclosed as per quarterly return/statement (Rs. in Lacs)	per books of account (Rs. in Lacs)	(Rs. in Lacs )	difference



HDFC & HSBC	1210.00	Refer Note- 1 Below	30.06.2021	3288.14	3011.92	276.21	Refer Note- 2 Below
HDFC & HSBC	1210.00	Refer Note- 1 Below	30.09.2021	3125.87	3158.23	(32.36)	Refer Note- 2 Below
HDFC & HSBC	1210.00	Refer Note- 1 Below	31.12.2021	3715.79	3763.09	(47.31)	Refer Note- 2 Below
HDFC & HSBC	1210.00	Refer Note- 1 Below	31.03.2022	3332.00	3502.28	(170.28)	Refer Note- 2 Below

Note:

1. Pari-passu charge on stocks and receivables, in favour of the Bank, by way of hypothecation.

2. Stock statements are Prepared and filed before completion of financial statements closure activities including AS adjustments, reclassification, set off as applicable.

Also refer Note 53 to the standalone financial statements.

iii. The Company has, during the year, made investments in one company, granted unsecured loans to four companies, one other related party and employee's during the year, in respect of which:

(a) The Company has made investments in, provided/ stood guarantee and granted unsecured loans during the year and details of which are given below:

Particulars	Investment (Rs. in Lacs)	Loans (Rs. in Lacs)	Guarantees (Rs. in Lacs)
Aggregate amount granted/ provided during the year			
Subsidiaries	10.00	--	--
Joint Ventures	--	--	--
Associates	--	--	--
Others	--	88.06	--
Balance outstanding as at balance sheet date in respect of the above cases			
Subsidiaries	10.00	--	--
Joint Ventures	--	--	--

Associates	--	--	--
Others	--	1126.71	--

The above amounts are included in Note 4 on Investments, Note 7 & 12 on Loans to the standalone financial statements.

- (b) 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 above loans to companies & other related party are prejudicial to the company's interest on account of granting such loans as interest free.
  - (c) On the basis of information & explanations given to us, there is no pre-determined schedule for repayment of principal amount of loans given to companies & other related party and no interest has been charged on such loans by the company and therefore we are not in a position to comment upon on the repayments, however, as explained to us by the management of company, such loans are repayable on demand.
  - (d) Since there is no pre-determined schedule for repayment of granting such interest free loans to companies & other related party and therefore, we are unable to make any specific comment on the amount overdue, if any.
  - (e) Since there is no pre-determined schedule for repayment of granting such interest free loans to companies & other related party and therefore this clause is not applicable on the company.
  - (f) On the basis of information & explanations given to us, the company has granted loans to companies & other related party of Rs.10.82 during the year, either repayable on demand or without specifying any term or period of repayment. The aggregate amount outstanding as at 31.03.2022 in respect of such loans was Rs.1025.95 Lacs which constituted 91.06% of the total loans. No loans were granted during the year to promoters.
- iv. On the basis of information & explanations given by the management in respect of loans given the provisions of Section 185 of the Companies Act, 2013, has not been complied with and so far as the provisions of Section 186 of the Companies Act, 2013, has been concerned, it is complied with except non-charging of interest on loans given to related parties.
  - v. The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified. Hence, reporting under clause (v) of the Order is not applicable.
  - 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 with a view to determine whether they are accurate or complete.
  - vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is generally been regularly depositing amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, provident fund, employees' state Insurance, income tax, sales tax, service tax, duty of customs, duty of excise, 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 2022.

(b) According to the information and explanations given to us, there are no material statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute, with the appropriate authorities.

- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. a) 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 the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.
- f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate company
- x. a) 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 and hence reporting under clause (x)(a) of the Order is not applicable.
- b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the order is not applicable to the Company
- xi. a) 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.

b) To the best of our knowledge, no report under subsection (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

c) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, the Company has not received any whistle-blower complaints during the year, which have been considered by us for any bearing on our audit and reporting. However, as explained by the management, the company had received certain concerns raised by one of director of the company with respect to matters of corporate governance and other procedural aspects of financial accounting of the company, which was duly explained/replied and management believes that there would be no impact of the same on these standalone financial statements.

- 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. a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.  
  
b) The reports of the Internal Auditor for the period under audit have been considered by us.
- 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. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.  
  
(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.  
  
(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.  
  
(d) The Group does not have any core investment company as part of the group and accordingly reporting under clause (xvi)(d) of the Order is not applicable
- xvii. **The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year**
- xviii. **There has been no resignation of the statutory auditors of the Company during the year.**
- xix. **On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based**

on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

b) In respect of ongoing projects, the company does not have any unspent corporate social responsibility (CSR) amount as at the end of the previous financial year and also at the end of the current financial year. Hence, reporting under this clause is not applicable for the year.

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

CA ROHIT BAID  
Proprietor  
Membership No. 535947

Place: Faridabad  
Date: 05.08.2022

**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, 2022 in conjunction with our audit of the standalone 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.**

### **Qualified Opinion**

**According to the information and explanations given to us and based on our audit, material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2022 as regards evaluation of uncertainty for realising the carrying value of its investments / loans related to KCL Milk Products Private Limited, a related party company, aggregating to Rs.1038.96 Lacs.**

**A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.**

**In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as of March 31,**

**2022, 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.**

Explanatory paragraph

**We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of KCL Limited, which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 5<sup>th</sup> August, 2022, expressed a qualified opinion.**

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

CA ROHIT BAID  
Proprietor  
Membership No. 535947

Place: Faridabad  
Date: 05.08.2022



# KCL LIMITED

CIN-L74899DL1983PLC068008

## Standalone Balance Sheet as at 31.03.2022

(Rupees in Lacs)

Particulars	Note No.	As at 31-Mar-2022	As at 31-Mar-2021
		IND AS	IND AS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	9155.16	9357.66
Capital work-in-progress	3	3.31	415.18
Right of Use Asset	3	70.21	23.06
Investment Property	3	168.77	156.19
Other Intangible assets	3	0.00	0.00
Financial Assets			
i Investments	4	64.17	<b>53.93</b>
ii Other financial assets	5	7.24	0.00
Deferred Tax Assets (net)	6	0.00	0.00
Other non-current assets	7	1475.35	1310.79
<b>Total Non-Current Assets</b>		<b>10944.21</b>	<b>11316.81</b>
<b>Current Assets</b>			
Inventories	8	3454.64	2716.11
Financial Assets			
i Trade receivables	9	6971.60	5592.80
ii Cash and cash equivalents	10	216.01	527.46
iii Bank balances other than (ii) above	11	105.66	70.81
iv Loans	12	100.77	80.93
vi Other financial assets	13	4.87	0.91
Current Tax Assets (Net)	14	42.66	80.10
Other current assets	15	316.52	796.36
<b>Total Current Assets</b>		<b>11212.73</b>	<b>9865.48</b>
<b>Total Assets</b>		<b>22156.94</b>	<b>21182.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	300.01	300.01
Other Equity	17	10430.22	9422.77
<b>Total Equity</b>		<b>10730.23</b>	<b>9722.78</b>

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Standalone Balance Sheet as at 31.03.2022

(Rupees in Lacs)

Particulars	Note No.	As at 31-Mar-2022	As at 31-Mar-2021
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	1997.87	2928.21
Lease liabilities	19	48.64	0.00
Provisions	20	101.28	88.83
Deferred Tax Liabilities (Net)	21	150.45	207.00
Other Non-Current Liabilities	22	5.11	13.23
<b>Total Non-Current Liabilities</b>		<b>2303.35</b>	<b>3237.27</b>
<b>Current Liabilities</b>			
Financial Liabilities			
i Borrowings	23	1740.10	2082.44
ii Lease liabilities	24	21.56	25.16
iii Trade Payables	25		
Micro & Small Enterprises	25	0.00	0.00
Others	25	6923.81	5775.58
iii Other financial liabilities	26	265.46	275.26
Other Current Liabilities	27	165.01	56.23
Provisions	28	7.41	7.58
Current Tax Liabilities (Net)	29	0.00	0.00
<b>Total Current Liabilities</b>		<b>9123.35</b>	<b>8222.25</b>
<b>Total Liabilities</b>		<b>11426.70</b>	<b>11459.51</b>
<b>Total Equity and Liabilities</b>		<b>22156.94</b>	<b>21182.29</b>

Significant Accounting Policies

2

-

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Notes to Accounts

1-60

Accompanying Notes are an integral part of the financial statements

**As per our report of even date attached**

**For ROHIT BAID & CO.**

**For and on behalf of the Board**

**(CHARTERED ACCOUNTANTS)**

**FRN No.031122N**

**(CA ROHIT BAID)**

**PROPRIETOR**

**M.NO.535947**

**Place : Faridabad**

**Date:**

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Standalone Statement of Profit & Loss for the year ended 31.03.2022

(Rupees in Lacs)

Particulars	Note No.	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
<b>INCOME</b>			
Revenue from Operations	30	45942.31	31660.91
Less : GST Recovered		6206.75	3678.40
		<b>39735.56</b>	27982.52
Other Income	31	27.36	65.79
<b>Total Income</b>		<b>39762.92</b>	<b>28048.30</b>
<b>EXPENSES</b>			
(a) Cost of Materials Consumed	32	27346.32	18740.44
(b) Changes in Inventories of Finished Goods & Work-In-Progress	33	139.61	-234.68
(c) GST/Excise Duty / Service Tax Paid		5.51	36.75
(d) Employee Benefits Expense	34	2898.45	2525.27
(e) Finance Costs	35	421.09	414.42
(f) Depreciation and Amortization Expenses	36	1427.12	1587.46
(g) Other Expenses	37	6083.89	4504.43
<b>Total Expenses</b>		<b>38322.00</b>	<b>27574.09</b>
<b>Profit before tax</b>		<b>1440.92</b>	474.21
<b>Tax expense:</b>			
Current Tax		499.10	248.50
Mat Credit Entitlement		0.00	0.00
Income Tax related to earlier years		0.08	14.30
Deferred Tax Adjustment		-56.55	-127.67
<b>Total Tax Expenses</b>		<b>442.63</b>	<b>135.13</b>
<b>Profit for the year</b>		<b>998.29</b>	339.08

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Standalone Statement of Profit & Loss for the year ended 31.03.2022

(Rupees in Lacs)

Particulars	Note No.	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
<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		<b>0.24</b>	0.30
(ii) Remeasurement of net defined benefit plans		<b>8.92</b>	-39.61
Income tax relating to items that will not be reclassified to profit or loss			0.00
(B) Items that will be reclassified to profit or loss		0.00	0.00
Income tax relating to items that will be reclassified to profit or loss			0.00
<b>Total Comprehensive Income for the year</b>		<b>1007.46</b>	299.77
<b>Earnings per Equity Share of face value of Rs.10/- each</b>			
<b>Basic</b>	38	<b>33.58</b>	9.99
<b>Diluted</b>		<b>33.58</b>	9.99

Significant Accounting Policies

2

Notes to Accounts

1-60

Accompanying Notes are an integral part of the financial statements

As per our report of even date attached

For ROHIT BAID & CO.

For and on behalf of the Board

(CHARTERED ACCOUNTANTS)

FRN No.031122N

(CA ROHIT BAID)

PROPRIETOR

M.NO.535947

Place : Faridabad

Date:

# KCL LIMITED

## CIN-L74899DL1983PLC068008

### Standalone Cash Flow Statement for the period ended 31.03.2022

(Rupees in Lacs)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit before Tax</b>	<b>1440.92</b>	474.21
<u>Add</u>		
Loss /Theft on sales of fixed assets	<b>0.00</b>	0.47
Depreciation and Amortisation	<b>1427.12</b>	1587.46
Provision for Gratuity & Leave Encashment	<b>21.21</b>	25.31
Finance Costs	<b>421.09</b>	414.42
<u>less</u>		
Profit on Sale of Assets	<b>-0.78</b>	-4.21
Interest Income	<b>-16.60</b>	-10.72
Operating Profit before Working Capital changes	<b>3292.95</b>	2486.94
<u>Changes in Working Capital:</u>		
<i>Adjustments for (increase) / decrease in Operating Assets:</i>		
Inventories	<b>-738.53</b>	-523.61
Trade Receivables	<b>-1378.80</b>	-863.74
Loans-current	<b>-19.84</b>	-13.14
Bank balance other than cash and cash equivalents	<b>-34.85</b>	-18.59
Other current assets	<b>241.44</b>	-5.82
Other financial assets	<b>-3.96</b>	0.00
Other Non Financial Assets	<b>-7.24</b>	
Other Non Current Assets	<b>-8.63</b>	-33.00
<i>Adjustments for increase / (decrease) in Operating Liabilities:</i>		
Trade Payables	<b>1148.23</b>	941.37
Other financial liabilities	<b>-9.80</b>	16.45
Other Current Liabilities	<b>108.77</b>	38.73
Other lease liabilities	<b>-3.59</b>	-25.16
Cash generated from Operations	<b>2586.16</b>	2000.44
Income Tax Paid (Net of Refunds)	<b>-223.33</b>	-100.68
<b>Net Cash Flow from Operating Activities (A)</b>	<b>2362.83</b>	1899.76

<b>B. Cash Flow from Investing Activities</b>		
Purchases of Property, Plant and Equipment & Intangible Assets	-902.74	-943.59
Advance for capex	-155.94	-101.22
Creditor for capex	-8.12	13.23
Investment in subsidiary	-10.00	0.00
Increase/decrease in Long Term Capital Advances		
Proceeds from Sale of Fixed Assets	31.04	16.43
Interest Received	16.60	10.72
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>-1029.16</b>	<b>-1004.44</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	-930.34	165.70
Net increase / (decrease) in short term Borrowings	-342.34	-234.11
Other Financial Liabilities	48.64	-
Interest Paid	-421.09	-414.42
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>-1645.13</b>	<b>-482.83</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>-311.45</b>	<b>412.49</b>
Cash and Cash Equivalents at the beginning of the year	527.46	114.97
<b>Cash and Cash Equivalents at the end of the year</b>	<b>216.01</b>	<b>527.46</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	5.03	6.87
(b) Balances with Banks		
(i) In Current Accounts	26.31	387.28
(ii) In Fixed Deposits	184.67	133.32
	<b>216.01</b>	<b>527.46</b>
<b>As per our report of even date attached</b> <b>For ROHIT BAID &amp; CO.</b> <b>(CHARTERED ACCOUNTANTS)</b> <b>FRN No.031122N</b>  <b>(CA ROHIT BAID)</b> <b>PROPRIETOR</b> <b>M.NO.535947</b> <b>Place : Faridabad</b> <b>Date:</b>		
<b>For and on behalf of the Board</b>		

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### A. Equity Share Capital

	(Rupees in Lacs)	
	No. of Shares	Amount
As at 1st April, 2020	3000085	300.01
Changes in equity share capital during the year 20-21	0	0.00
<b>As at 31st March, 2021</b>	<b>3000085</b>	<b>300.01</b>
Changes in equity share capital during the year 21-22	0	0.00
<b>As at 31st March, 2022</b>	<b>3000085</b>	<b>300.01</b>

### B. Other Equity

(Rupees in Lacs)					
Particulars	Reserves and Surplus				Total
	Capital Reserve	Security Premium Account	General Reserve	Retained Earnings & Other Comprehensive Income	
As at 1st April, 2020	107.14	249.01	7103.24	1663.60	9122.99
Profits for the year	0.00	0.00	0.00	339.08	339.08
Amount transferred to General Reserve			0.00	0.00	0.00
Other comprehensive income for the year	0.00	0.00	0.00	-39.30	-39.30
Total comprehensive income for the year	0.00	0.00	0.00	299.77	299.77
As at 31st March, 2021	107.14	249.01	7103.24	1963.37	9422.77
Profits for the year	0.00	0.00		998.29	998.29
Amount transferred to General Reserve			0.00	0.00	
Other comprehensive income for the year	0.00	0.00	0.00	9.16	9.16
Total comprehensive income for the year	0.00	0.00	0.00	1007.46	1007.46
As at 31st March, 2022	107.14	249.01	7103.24	2970.83	10430.22

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:

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 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 Poanta Sahib (H.P.), Cheyyar (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.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 05.08.2022.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### Compliance with Ind AS

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') \*Companies (Indian Accounting Standards) Rules, 2015+ and other relevant provisions of the Act.

#### 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 accrual and going concern basis under historical cost convention, 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.

Company's financial statements are presented in India Rupees, which is also its functional currency. All amount in the financial statements and accompanying notes are presented in lakhs Indian Rupees and have been rounded-off to two decimal place in accordance with the provisions of Schedule III, unless stated otherwise.

#### 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.



# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

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

### 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.

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.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### **Investment properties**

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in profit or loss in the period of derecognised.

Though the company measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value are determined by using circle rates of the concerned registration authority.

### **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.

### **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 at time proportion basis taking into account the amount outstanding and the rate applicable.

Export incentives are accounted for on exports of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

### **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.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 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.

#### 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.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 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.

#### 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.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

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.

### 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.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### **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

## Standalone Notes on Financial Statements for the year ended 31st March,2022

(Rupees in Lacs)

### Note 3 Property, Plant & Equipment

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As at 01.04.2021	Additions	Sales /or Adjustment	As at 31.03.2022	As at 01.04.2021	For the year	Sales / or Adjustment	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>Owned Assets:</b>										
Land	509.83	398.15		907.99	0.00			0.00	907.99	509.83
Lease hold Land	979.94			979.94	0.00			0.00	979.94	979.94
Building	4192.41	91.79		4284.20	2032.71	205.41		2238.12	2046.07	2159.70
Tubewell	8.78		0.68	8.10	7.61	0.00	0.65	6.96	1.14	1.17
Plant & Machinery	13589.11	625.98	183.19	14031.90	8590.34	967.02	162.75	9394.61	4637.29	4998.77
Electric Installations	356.37	0.00	3.22	353.15	304.40	19.54	2.93	321.01	32.14	51.97
Moulds & Dies	4.45	0.00		4.45	3.69	0.00		3.69	0.76	0.76
Testing & Checking	86.07	4.36	3.05	87.39	65.93	5.48	2.89	68.51	18.87	20.14
Fire Fighting Equipment	104.84	0.55	1.70	103.69	56.83	12.42	1.61	67.65	36.04	48.01
Furniture & Fixture	250.31	18.66	28.93	240.05	172.15	21.14	25.45	167.84	72.21	78.16
Computer	162.09	17.62	0.28	179.42	147.84	10.16	0.27	157.74	21.69	14.24
Office Equipments	90.77	8.75	23.19	76.33	80.52	5.28	22.07	63.73	12.59	10.25
Intercom Systems	47.99	3.81	26.35	25.46	40.58	3.18	24.89	18.87	6.59	7.42
Air Conditioner	94.85	2.97	27.38	70.44	72.68	6.73	25.07	54.34	16.09	22.18
Vehicle	702.67	47.07	0.10	749.65	584.67	37.53	0.09	622.11	127.53	118.00
Trucks & Tractors	932.97	0.00	10.02	922.94	612.81	94.69	9.16	698.34	224.60	320.16
Material Handling Equipments incl plant lift	34.33	5.45		39.77	17.36	8.81		26.17	13.60	16.97
Temporary Construction	0.44			0.44	0.44			0.44	0.00	0.00
<b>Sub-Total</b>	<b>22148.24</b>	<b>1225.16</b>	<b>308.10</b>	<b>23065.30</b>	<b>12790.58</b>	<b>1397.40</b>	<b>277.84</b>	<b>13910.14</b>	<b>9155.16</b>	<b>9357.66</b>
<i>Prev Year</i>	<i>21607.55</i>	<i>780.52</i>	<i>239.84</i>	<i>22148.24</i>	<i>11463.24</i>	<i>1554.48</i>	<i>227.15</i>	<i>12790.58</i>	<i>9357.66</i>	<i>10144.31</i>
<b>Capital Work in Progress</b>										
Plant & Machinery	163.08	3.31	163.08	3.31	0.00	0.00	0.00	0.00	3.31	163.08
Land & Building	252.11		252.11	0.00	0.00	0.00	0.00	0.00	0.00	252.11
<b>Sub-Total</b>	<b>415.18</b>	<b>3.31</b>	<b>415.18</b>	<b>3.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.31</b>	<b>415.18</b>
<i>Prev Year</i>	<i>252.11</i>	<i>163.08</i>	<i>0.00</i>	<i>415.18</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>415.18</i>	<i>252.11</i>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

Note 3 Property, Plant & Equipment										
	GROSS BLOCK				DEPRECIATION				NET BLOCK	
<b>Leased Assets:</b>										
<b>Right-of-Use Assets* :</b>										
Land & Building	69.18	70.21	0.00	139.39	46.12	23.06		69.18	70.21	23.06
<b>Sub-Total</b>	<b>69.18</b>	<b>70.21</b>	<b>0.00</b>	<b>139.39</b>	<b>46.12</b>	<b>23.06</b>	<b>0.00</b>	<b>69.18</b>	<b>70.21</b>	<b>23.06</b>
Prev Year	69.18	0.00	0.00	69.18	23.06	23.06	0.00	46.12	23.06	46.12

\* Refer Note no. 56

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
<b>INVESTMENT PROPERTIES</b>										
Land (SAHA)	86.05	19.25		105.30	0.00			0.00	105.30	86.05
Building(SAHA)	118.04			118.04	47.90	6.66		54.57	63.48	70.14
<b>Sub-Total</b>	<b>204.09</b>	<b>19.25</b>	<b>0.00</b>	<b>223.34</b>	<b>47.90</b>	<b>6.66</b>		<b>54.57</b>	<b>168.77</b>	<b>156.19</b>
Previous year	204.09	0.00	0.00	204.09	40.54	7.36	0.00	47.90	156.19	163.55

\* Refer Note no. 55

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
<b>Intangible Assets</b>										
Computer Software	57.44			57.44	57.44		0.00	57.44	0.00	0.00
<b>Sub-Total</b>	<b>57.44</b>	<b>0.00</b>	<b>0.00</b>	<b>57.44</b>	<b>57.44</b>	<b>0.00</b>	<b>0.00</b>	<b>57.44</b>	<b>0.00</b>	<b>0.00</b>
Previous year	57.44	0.00	0.00	57.44	54.89	2.55	0.00	57.44	0.00	2.55
<b>Total</b>	<b>22894.14</b>	<b>1317.92</b>	<b>723.28</b>	<b>23488.78</b>	<b>12942.05</b>	<b>1427.12</b>	<b>277.84</b>	<b>14091.33</b>	<b>9397.45</b>	<b>9952.09</b>
Previous year	22190.38	943.59	239.84	22894.14	11581.74	1587.46	227.15	12942.05	9952.09	10608.64

### Capital work-in-progress (CWIP) ageing schedule

For the year ended March 31, 2022

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.31	-	-	-	3.31
Projects temporarily suspended	-	-	-	-	-

There is no CWIP whose completion is overdue or has exceeded its cost compared to its initial plan



# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 4 Investments

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Investment in Wholly-owned Subsidiary</b>		
i) 100000 Equity shares of KCL Paper Mills Pvt Limited @10/- each fully paid up.	10.00	0.00
<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.	4.22	4.22
ii) 490000 Equity shares of M/s KCL Milk Products india Private Limited of Rs.10/- each fully paid up.	49.00	49.00
<b>Investments measured at Fair Value Through Other Comprehensive Income)</b>		
<b>Quoted Equity Shares</b>		
609 no. of Equity Shares of Indian Bank	0.95	0.71
<b>Total</b>	<b>64.17</b>	<b>53.93</b>

4.1 A wholly owned subsidiary company namely M/s KCL Paper Mill Private Limited, owned by M/s KCL LTD was incorporated on 21.04.2021, however, no business operations in the subsidiary company was started for the period ended on 31.03.2022.

4.2 The company has outstanding investment in equity shares of its related party company M/s KCL Milk Products India Pvt Ltd of Rs. 49 Lacs, however, net worth of such company has been eroded as per latest audited financial statement available. 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(non current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Other Bank Balances</b>		
- Fixed Deposits with more than 12 months maturity period*	7.24	0.00
<b>Total</b>	<b>7.24</b>	<b>0.00</b>

\* Ledged with government department/banks as security.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 6 Deferred Tax Assets (Net)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	0.00	0.00
Fixed Assets	0.00	0.00
Others		
<b>Total Deferred Tax Assets</b>	<b>0.00</b>	<b>0.00</b>

### 7 Other non-current assets

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Loan to related parties (Refer Note No. 45)</b>		
Unsecured & considered good, unless otherwise stated, as certified by the management		
- Inter Corporate Loans	1012.19	1001.37
- Others	13.74	13.74
Sub Total (A)	1025.94	1015.11
Advance for Capital Goods (B)	270.96	115.02
Security Deposits with government authorities & others( C)	115.90	106.89
Prepaid Expenses (D)	23.02	25.99
Other recievables(E)	30.85	30.85
VAT Credit Receivable(F)	8.70	9.82
<b>Preoperative Expenses ( subject to allocation )</b>		
Brought Forward	7.11	7.11
Addition during the year	0.00	0.00
Less : Transferred during the year	7.11	0.00
Preoperative Expenses (G)	0.00	7.11
<b>Total (A + B+C+D+E+F+G)</b>	<b>1475.35</b>	<b>1310.79</b>

7.1 Time period of Loans given & outstanding as at 31.03.2022 to its related party company & others amounting to Rs.1025.93 Lacs, is not defined / available, Further net worth of one party M/s KCL Milk Products India Pvt Ltd has been eroded as per latest audited financial statement available. However, based on internal assesement, the management believes that these inter corporate outstanding loans will be realised, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial

7.2 Time period of Security Deposit with government authorities and others is not defined / available,

# **KCL LIMITED**

## **Standalone Notes on Financial Statements for the year ended 31st March,2022**

therefore security deposit is not discounted in accordance with Ind AS 109 - "Financial Instruments".

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 8 Inventories

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Raw materials	2691.33	1881.10
Work-in-Progress	124.33	335.66
Finished Goods	401.81	328.42
Scrap	0.15	1.83
Stores and Spares	237.02	169.10
<b>Total</b>	<b>3454.64</b>	<b>2716.11</b>

8.1 Inventories have been hypothecated with banks against working capital loans.

### 9 Trade Receivables

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
- Secured, Considered Good		
- Unsecured, Considered Good	6946.10	5512.01
- Trade receivable which has significant increase in credit risk	25.49	80.79
-Trade Receivable- credit impaired	21.71	0.00
<b>Total</b>	<b>6993.31</b>	<b>5592.80</b>
-Less allowance for doubtful debts	-21.71	0.00
<b>Total</b>	<b>6971.60</b>	<b>5592.80</b>

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

9.2 The Company has filed recovery suit in Lower / District court, against three debtors (previous year-two debtors) involving amount of RS.22.66 Lacs (previous year Rs.15.57 Lacs) for recovery & the matter is pending for disposal. In respect of other doubtful debts, the management is trying their best efforts and quite hopeful for recovery.

9.3 Agewise disclosure as required are attached in note no.43

9.4 The company does not have debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 10 Cash and cash equivalents

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Cash and Cash Equivalents</b>		
Cash in hand (as certified by the management)	5.03	6.87
Balances with Banks	0.00	0.00
- In Current Accounts	26.31	387.28
- Fixed Deposits (with Banks less than 3month period)	184.67	133.32
	0.00	0.00
<b>Total</b>	<b>216.01</b>	<b>527.46</b>

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

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Other Bank Balances</b>		
- In Margin Money Accounts	50.99	70.60
-Fixed Deposits (with bank more than 3 months but < 12 mth period)	50.53	0.00
- Fixed Deposits with more than 12 months maturity period	7.24	0.00
- In Employees Group Gratuity Saving Bank Account	4.13	0.21
Less: Amount disclosed under the head "other Non Current Financial Assets" (Refer note 5)	-7.24	0.00
<b>Total</b>	<b>105.66</b>	<b>70.81</b>

### 12 Loans (Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Loans and Advances to Employees	100.77	80.93
<b>Total</b>	<b>100.77</b>	<b>80.93</b>

12.1 Time period of Loans to employee's is not defined / available, however, the management believes that these will be realised within next 12 months, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial Instruments".

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 13 Other Financial assets (Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
(i) Other Receivables (interest accrued on FDR)	4.87	0.91
<b>Total</b>	4.87	0.91

### 14 Current Tax Assets (Net)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Current Tax assets (net)	42.66	80.10
<b>Total</b>	42.66	80.10

### 15 Other current assets

Particulars	As at 31-Mar-2022	As at 31-Mar-2020
<b>Considered good, unless otherwise stated</b>		
Prepaid Expenses	48.18	63.81
MAT Credit Entitlement	88.73	327.14
<b>Balance with Government Authorities</b>		
(i) Balance with Central Excise & GST Dept (Net)	0.00	224.90
<b>Others</b>		
(i) Advance to Suppliers & Others	179.39	178.68
(ii) Advance to Gratuity Fund	0.00	0.00
(iii) Other Receivables	0.22	1.83
<b>Total</b>	316.52	796.36

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

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

		(Rupees in Lacs)	
16 SHARE CAPITAL	As at 31-Mar-2022	As at 31-Mar-2021	
<b>Equity Share Capital :</b>			
<u>Authorised Share Capital:</u>			
50,00,000 Equity Shares of Rs.10/- ea (5000000)	500.00	500.00	
	<u>500.00</u>	<u>500.00</u>	
<u>Issued, Subscribed and Paid up Capital:</u>			
30,00,085 Equity Shares of Rs.10/- e (30,00,085) fully paid up	300.01	300.01	
	<u>300.01</u>	<u>300.01</u>	
TOTAL	<u>300.01</u>	<u>300.01</u>	

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

Name of the Shareholder	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of Shares	% held	No. of Shares	% held
Late Sh. Shyam Sunder Khemka	5,26,260	17.54	5,26,260	17.54
Smt. Chandra Kala Khemka	3,90,200	13.01	3,90,200	13.01
Sh. Rajeev Khemka	2,46,325	8.21	2,46,325	8.21
Sh. Sanjeev Khemka	2,64,875	8.83	2,64,875	8.83
Sh. Ashish Khemka	3,31,350	11.04	3,31,350	11.04
M/s Khemka Leasing Private Limited	4,84,500	16.15	4,84,500	16.15
M/s Khemka Packaging Private Limited	2,00,000	6.67	2,00,000	6.67

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

Particulars	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of Shares		No. of Shares	
Equity Shares at the beginning of the y		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		3000085		3000085

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 16.3 Shares held by promoters at the end of the year 31st March' 2022

Promoter Name	No. of Shares as on 31.03.2022	% of total Shares	No. of Shares as on 31.03.2021	% of total Shares	% Change during the Financial Year
Ashish Khemka	3,31,350	11.04	3,31,350	11.04	0.00%
Chandra Kala Khemka	3,90,200	13.01	3,90,200	13.01	0.00%
Rajeev Khemka	2,10,325	7.01	2,10,325	7.01	0.00%
Sanjeev Khemka	2,64,875	8.83	2,64,875	8.83	0.00%
Shyam Sunder Khemka	3,52,460	11.75	3,52,460	11.75	0.00%
Vandana Rajeev Khemka	75,000	2.50	75,000	2.50	0.00%
Vandana Rajeev Khemka	500	0.02	500	0.02	0.00%
Vandna Sanjeev Khemka	77,600	2.59	77,600	2.59	0.00%
Rajeev Khemka HUF	36000	1.20	36000	1.20	0.00%
Shyam Sunder Khemka HUF	73800	2.46	73800	2.46	0.00%
<b>Total</b>	<b>18,12,110</b>		<b>18,12,110</b>		

### 16.4 Shares held by promoters at the end of the year 31st March' 2021

Promoter Name	No. of Shares as on 31.03.2021	% of total Shares	No. of Shares as on 31.03.2020	% of total Shares	% Change during the Financial Year
Ashish Khemka	3,31,350	11.04	3,31,350	11.04	0.00%
Chandra Kala Khemka	3,90,200	13.01	3,90,200	13.01	0.00%
Rajeev Khemka	2,10,325	7.01	2,10,325	7.01	0.00%
Sanjeev Khemka	2,64,875	8.83	2,64,875	8.83	0.00%
Shyam Sunder Khemka	3,52,460	11.75	3,52,460	11.75	0.00%
Vandana Rajeev Khemka	75,000	2.50	75,000	2.50	0.00%
Vandana Rajeev Khemka	500	0.02	500	0.02	0.00%
Vandna Sanjeev Khemka	77,600	2.59	77,600	2.59	0.00%
Rajeev Khemka HUF	36000	1.20	36000	1.20	0.00%
Shyam Sunder Khemka HUF	73800	2.46	73800	2.46	0.00%
<b>Total</b>	<b>18,12,110</b>		<b>18,12,110</b>		

### 16.5 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.

**16.6** 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 preceeding the balance sheet date.



# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 17 Other Equity

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>(a) Capital Reserve</b>		
Opening Balance	107.14	107.14
Add: Additions during the year	0.00	0.00
Less: Utilised / transferred during the year	0.00	0.00
Closing Balance	107.14	107.14
<b>(b) Securities Premium Account</b>		
Opening Balance	249.01	249.01
Add: Additions during the year	0.00	0.00
Less: Utilised / transferred during the year	0.00	0.00
Closing Balance	249.01	249.01
<b>(c) General Reserve</b>		
Opening Balance	7103.24	7103.24
Add: Transferred from Surplus in Profit and Loss Statement	0.00	0.00
Less: Utilisation	0.00	0.00
Closing Balance	7103.24	7103.24
<b>(d) Surplus in Profit and Loss Statement</b>		
Opening Balance	2004.75	1665.68
Add: Profit for the year	998.29	339.08
Less Amount transferred to General Reserve		
Closing Balance	3003.05	2004.75
<b>(e) Other comprehensive income</b>		
Opening Balance	-41.38	-2.08
Add: Additions /deductions	9.16	-39.30
Closing Balance	-32.22	-41.38
<b>Total</b>	<b>10430.22</b>	<b>9422.77</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

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 18 Borrowings (Non-current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Secured</b>		
<b>Term Loans</b>		
From Banks		
--- Term Loan -HSBC Bank	456.86	728.16
--- Term Loan -HDFC	621.61	1185.58
	<b>1078.47</b>	<b>1913.75</b>
<b>Vehicle Loans</b>	85.65	174.14
<b>Unsecured Loans</b>		
From Directors	833.76	840.32
<b>Total</b>	<b>1997.87</b>	<b>2928.21</b>

**18.1** 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, Pargana Palasi, Nalahgarh, solan Himachal Pradesh, 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.

**18.2** Terms of repayment of term loans & vehicles loans are disclosed in note no.54

**18.3** Vehicle loans are secured by way of hypothecation of vehicles financed by the banks

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

### 19 Lease Liabilities (Non-Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Lease Liabilities (Refer Note no. 56)	48.64	0.00
<b>Total</b>	<b>48.64</b>	<b>0.00</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 20 Provisions (Non-Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Provision for Employee Benefits (Refer note no. 47)</b>		
-Gratuity (funded)	65.24	51.32
-Leave Encashment (un-funded)	36.04	37.51
<b>Total</b>	<b>101.28</b>	<b>88.83</b>

### 21 Deferred Tax Liabilities (Net)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Deferred Tax Liabilities</b>		
Fixed Assets	202.54	249.97
<b>Total Deferred Tax Liabilities (A)</b>	<b>202.54</b>	<b>249.97</b>
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	31.65	26.82
Fixed Assets		
Others	20.44	16.15
<b>Total Deferred Tax Assets (B)</b>	<b>52.10</b>	<b>42.97</b>
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>150.45</b>	<b>207.00</b>

### 22 Other Non-Current Liabilities

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Creditors for Capital Goods	5.11	13.23
<b>Total</b>	<b>5.11</b>	<b>13.23</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 23 Borrowings (Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Secured</b>		
Working Capital Loan from Bank *	798.74	822.19
<b>Current Maturities of Long Term Debts</b>		
<b>From Banks:</b>		
--- Term Loan -HSBC bank	268.05	472.16
--- Term Loan HDFC Bank	565.16	642.34
<b>Total</b>	<b>833.21</b>	<b>1114.50</b>
<b>Vehicle Loans</b>	<b>108.15</b>	<b>145.75</b>
<b>Total</b>	<b>1740.10</b>	<b>2082.44</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, Pargana Palasi, Nalagarh, solan Himachal Pradesh, 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.

### 24 Lease liabilities (current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Lease Liabilities (Refer Note no. 56)	21.56	25.16
<b>Total</b>	<b>21.56</b>	<b>25.16</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 25 Trade Payables (Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Micro and Small Enterprises *	0.00	0.00
Others	6923.81	5775.58
<b>Total</b>	<b>6923.81</b>	<b>5775.58</b>

25.1 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-Mar-2022	As at 31.03.2021
1 Principal amount due	0.00	0.00
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

25.2 Agewise disclosure as required are attached in note no.44

### 26 Other financial liabilities (Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Other Payables</b>		
Liabilities for Expenses & Others	265.46	275.26
	<b>265.46</b>	<b>275.26</b>
<b>Total</b>	<b>265.46</b>	<b>275.26</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 27 Other Current Liabilities

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Advances from Customers & others	24.74	28.58
Statutory Dues (TDS Payable)	33.46	27.65
Statutory Dues (GST Payable) (Net)	106.81	0.00
<b>Total</b>	<b>165.01</b>	<b>56.23</b>

### 28 Provisions (Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Employee Benefits (Refer note no. 47)		
-Gratuity (funded)	0.00	0.00
-Leave Encashment (un-funded)	7.41	7.58
<b>Total</b>	<b>7.41</b>	<b>7.58</b>

### Current Tax Liabilities (Net)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Current Tax Liabilities (net)	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 30 Revenue from Operations

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<b>Sale of Products</b>	<b>47499.84</b>	32843.97
Less -Internal Consumption	<b>1557.52</b>	1184.10
	<b>45942.31</b>	<b>31659.87</b>
<b>Other Operating revenue</b>		
Duty Draw back	<b>0.00</b>	1.04
<b>Total</b>	<b>45942.31</b>	<b>31659.87</b>
<b>Sale of Products comprises of</b>	<b>Year ended 31-Mar-2022</b>	<b>Year ended 31-Mar-2021</b>
Corrugated Boards & Boxes	36876.94	24222.32
Duplex Board Cartons	6179.84	5199.42
Food Products	1413.91	1037.26
Milk /Dairy Products	1222.65	1384.33
Scrap	1806.50	1000.64
<b>Total - Sale of Products</b>	<b>47499.84</b>	32843.97

### 31 Other Income

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Dividend received	<b>0.01</b>	0.00
Interest Received	<b>16.60</b>	10.72
Sundry Balances Written back	<b>2.75</b>	46.07
Rent Received	<b>7.20</b>	3.60
Foreign exchange fluctuation	<b>0.00</b>	0.55
Profit on Sale of Property, Plant and Equipment	<b>0.78</b>	4.21
Misc receipts	<b>0.01</b>	0.65
<b>Total</b>	<b>27.36</b>	65.79

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 32 Cost of Raw Materials Consumed

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Opening Stock	1881.10	1578.88
Add: Purchases	29699.33	20054.48
	31580.43	21633.36
less Internal Consumption	1542.78	1011.82
	30037.65	20621.54
Less: Closing Stock	2691.33	1881.10
<b>Cost of Material Consumed</b>	<b>27346.32</b>	<b>18740.44</b>
<b>Material Consumed comprises:</b>		
1. Kraft Paper	21666.50	14602.15
2. Duplex Board	4097.06	2903.46
3. Corrugated Board & Sheet	1650.51	1060.69
4. Lamination Film	34.48	38.72
5. Flour Wheat & Maize	245.97	186.79
6. Oils & Fats	29.75	25.11
7. Chemicals, Flavours, Sugar & Salts	40.22	27.27
8. Skimmed Milk Powder	0.03	0.00
9. Packaging Materials(used in packing of food	130.25	126.27
10. Dextros Monohydrate	0.00	0.00
11.Raw Milk	327.51	369.61
12.Others	488.07	360.80
13. Soyabean	97.11	51.41
14.Food product	53.10	0.00
15.Food Ingredients	28.56	0.00
	28889.11	19752.26
Less Internal Consumption	1542.78	1011.82
	27346.32	18740.44



# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March, 2022

### 33 Changes in Inventories

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Inventories at the end of the year		
Finished Goods	401.81	328.42
Work-In-Progress	124.33	335.66
Scrap	0.15	1.83
	526.29	665.91
Inventories at the beginning of the year		
Finished Goods	328.42	286.03
Work-In-Progress	335.66	143.57
Scrap	1.83	1.62
	665.91	431.22
Net (Increase) / Decrease	139.61	-234.68

### 34 Employee Benefits Expenses

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Salaries & Wages	2632.28	2304.52
Bonus & Exgrtia	31.63	31.83
Leave with wages	0.71	18.33
Contributions to Provident Fund (Refer note no.47)	67.32	50.17
Contributions to Employee State Insurance Fund	16.32	16.27
Gratuity	25.05	22.30
Staff Welfare Expenses	125.13	81.86
Total	2898.45	2525.27

### 35 Finance Costs

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Interest Expense on:		
(i) Term Loans from Banks	206.40	254.90
(ii) Others Borrowing Costs	213.45	156.12
(iii) Interest on lease Liabilities	1.24	3.40
Total	421.09	414.42

### 36 Depreciation and Amortisation Expenses

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Depreciation on Property, Plant and Equipment	1397.40	1554.48
Amortisation of Right to Use	23.06	23.06
Depreciation of investment properties	6.66	7.36
Amortisation on Intangible Assets	0.00	2.55
Total	1427.12	1587.46

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

37 Other Expenses

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<b>Manufacturing Expenses</b>		
Consumption of Stores and Spare Parts	910.04	658.93
Consumption of Block Printing & Design	502.24	428.15
Power and Fuel	1152.39	999.66
Factory Rent including Lease Rentals	5.13	5.13
House Keeping Expenses	25.00	15.34
Carriage Inward Expenses	15.50	10.78
Expiry of Raw Material/Packing Materials	0.00	30.86
Repairs to - Machinery	563.06	292.80
Repairs to - Others	325.57	161.92
<b>Sub Total</b>	<b>3498.92</b>	<b>2603.57</b>
<b>Administration Expenses</b>		
Rent	26.75	24.06
Insurance	91.87	92.53
Rates and Taxes	42.56	17.52
Travelling Expenses	92.97	56.80
Conveyance Expenses	67.78	55.02
Printing & Stationery	14.52	12.90
Postage, Telegram & Telephone	24.39	22.66
Legal and Professional	39.60	17.68
Retainership Charges	100.43	49.19
Security Service Charges	65.48	63.26
Membership & Subscription	5.06	5.06
Car Maintenance & Vehical Upkeep	63.23	43.01
Electricity & Water Charges	24.48	19.55
General Expenses	28.45	23.20
Employees Recruitment & Training Expenses	24.57	83.61
Charity & Donation	13.32	25.23
ISO Certification Charges	9.74	10.09
Sundry Balances Written off	41.53	0.30
Software charges	2.81	5.62
Bad Debts Written off	29.63	45.41
Provision for bad debts	21.71	0.00
Prior Period Expenses	3.43	1.67
Listing Fees	0.64	0.64
Expenses towards CSR Activities (refer note no.37.1)	14.69	13.69
Penalties	0.31	0.00
Loss on Sale of Property, Plant and Equipment	0.00	0.00
Loss on theft of Property, Plant and Equipment	0.00	0.47
Interest on late fee-GST	1.41	0.09
Interest on late tds	0.00	0.00
Foreign exchange fluctuation	2.66	0.00
Bank Charges	9.02	7.22
<b>Sub Total</b>	<b>863.05</b>	<b>696.49</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

		(Rupees in Lacs)
<b>Selling Expenses</b>		
Consumption of Packing Materials (Net)	333.40	107.03
Freight Outward (Net)	1079.90	907.32
Sales Promotion Expenses	128.77	66.00
Discount Allowed	21.78	14.59
Advertisement & Publicity	0.47	0.21
Sales Tax Paid	9.91	15.62
Damages & Claims	123.50	83.04
Commission on Sales	5.40	2.68
Product & Sample Distribution Exp	10.78	3.09
<b>Sub Total</b>	<b>1713.91</b>	<b>1199.57</b>
<b>Payments to the Auditors</b>		
As Auditors - Statutory Audit	4.00	3.00
For Tax Audit	1.00	0.60
For Internal Audit	3.00	1.20
<b>Sub Total</b>	<b>8.00</b>	<b>4.80</b>
<b>Total</b>	<b>6083.89</b>	<b>4504.43</b>

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# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 37.1- Details of CSR (Corporate Social Responsibility) expenditure.

The nature of CSR activities undertaken by the company includes promoting education, health care and environmental sustainability. The details of CSR expenditure is given below

Particulars			Year ended 31-Mar-2022 (Rupees in Lacs)
<b>A.Gross amount required to be spent by the company</b>			<b>Current Year</b> <b>Previous Year</b>
			<b>10.33</b> <b>10.70</b>
<b>B. Amount spent during the year</b>	In Cash	Yet to be spent in cash	Total
i) Construction/acquisition of any asset	--	--	--
<i>Previous year</i>	(--)	(--)	(--)
ii) On purposes other than (i) above	<b>14.69</b>	--	<b>14.69</b>
<i>Previous year</i>	<b>13.69</b>	(--)	<b>13.69</b>

There is no shortfall at the end of March 31,2022 and March 31, 2021 in terms of amount required to be spent by the company. The above includes contribution made to Khemka Charitable Trust amounting to Rs. 14.69 lacs (March 31, 2021: Rs. 13.69 lacs).

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note 38 Earning Per Share

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<b>Earnings Per Share</b>		
i) Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (Rs. in Lacs)	<b>1007.46</b>	299.77
ii) Weighted Average Number of Equity Shares used as denominator for calculating EPS	<b>30,00,085</b>	30,00,085
iii) Basic and Diluted Earnings per Share (in Rs.)	<b>33.58</b>	9.99
iv) Face Value per Equity Share (in Rs.)	<b>10</b>	10

### Note 39

<b>Contingent Liabilities and Commitments (to the extent not provided for)</b>		
	As at 31-Mar-2022	As at 31-Mar-2021
<b>Contingent Liabilities</b>		
Claims against the Company not acknowledged as debt		
1) Surety Bond for availing duty under EPCG Scheme	<b>69.94</b>	69.94
2) Bank Guarantees	<b>0.00</b>	0.00
3) Letter of Credits	<b>109.45</b>	140.53
	<b>179.40</b>	210.47
<b>Commitments</b>		
- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	<b>1162.64</b>	201.95
- Export Obligation against Import under EPCG Licence	<b>4817.15</b>	4817.15
	<b>5979.78</b>	5019.10

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

Note -40

(Rupees in Lacs)

1	<b>Details of Consumption of Imported and Indigenous Items</b>			
		<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
		<b>Percentage</b>	<b>Value</b>	<b>Percentage</b>
	Raw Materials			Value
	a) Imported	2.34	640.03	3.79
	b) Indigenous	97.66	26706.29	96.13
		100.00	27346.32	99.92
	Stores and spares			
	a) Imported	0	0.00	0
	b) Indigenous	100	910.04	100
		100	910.04	100
2	<b>Value of Imports calculated on CIF basis</b>	<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
	Raw Materials	604.57	635.32	
	Components- Spare Parts (Repair)	159.70	50.10	
	Capital Goods	257.71	404.28	
3	<b>Earnings in Foreign Exchange</b>	<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
	Export of Goods calculated on FOB basis	0.00	84.55	
4	<b>Expenditure in Foreign Currency</b>	<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
	Travelling Expenses & other matters	24.73	68.46	

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note-41

- 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, and amount paid to party was debited in Capital Work In Progress up to 31.03.2021. Till date the possession of the property has not been received. However 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 still sub-judiced with the courts and now the amount paid to the seller has been transferred to other non current assets.
  - b) The Company had made payment against allotment of Industrial Plot No. 254-255, Industrial Estate Sector, Roz ka Meo, Faridabad, measuring area of 8100 sq. mtr and received possession certificate of such land on dated 20.10.2015 which was shown as Capital work in progress up to 31.03.2021. However, the company has debited cost of such land in its property, plant & equipment but the conveyance deed is not executed in the name of company due to non-completion of the project in time.
  - c) In the earlier years, the Company had made payment against allotment of industrial Plot No. 212 -215, Industrial Estate food park Saha, Ambala, Haryana, measuring area of 4050 sq. mtr and received possession certificate of such land on dated 10.10.2006 and therefore, the company has debited cost of such land in its property, plant & equipment. However, the conveyance deed of such land, in the name of the company has not been made since the company has not paid installment of enhanced cost amounting to Rs.8.07 Lacs for such land.
- 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, Varadaiahpalem Mandal, Racheria Panchayat of Mopurupali Village, Chittoor District, Andhra Pradesh and this unit is eligible for tax benefits up to Assessment Year 2020-21 as specified in Section 32AD of the Income Tax Act, 1961.
- 3 The company had received certain concerns with respect to matters of corporate governance and other procedural aspects of financial accounting of the company from one of Director of the company Sh Sanjeev Khemka. The Management and other directors are continuously trying to resolve these concerns. Further, we believe that there would be no impact of the same on the financial statements.
- 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.
- 5 COVID-19 has caused disruptions to businesses across India. The management has considered subsequent events, internal and external information in finalising various financial estimates as at the date of approval of these financial results and have not identified any material impact on the carrying value of assets, liabilities or provisions. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.
- 6 Sales Tax assessment of units of the company situated in different states have been completed up to Financial Year 2016-17 and assesment for the next financial years are in process.

# KCL LIMITED

- 7 The Income Tax Assessment 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.
- 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 recovery suit in Lower / District court, against three debtors (previous year-two debtors) involving amount of RS.22.66 Lacs (previous year Rs.15.57 Lacs) for recovery & the matter is pending for disposal.
- The Company has filed Writ Petition in the month of March, 2021 against Greater Noida Industrial Development Authority in respect of its lease hold property situated at 11B, Udyog Vihar, Greater Noida, against outstanding dues of Rs.3.57 Crores demanded by the authority for outstanding lease rent payments, interest & other charges leived thereon, before Hon'ble Allahabad High Court, which is pending for disposal as on date.
- 9 During the year, the Company has not entered into any long-term contracts including derivative contracts.

## Standalone Notes on Financial Statements for the year ended 31st March, 2022

### 42. Derivatives:-

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

Buy or Sell	As on 31.03.2022		As on 31.03.2021		Foreign Currency
	Amount (Rupees in Lacs)	Amount in Foreign Currency	Amount Rupees in Lacs)	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 31.03.2022		As on 31.03.2021		Foreign Currency
	Amount (Rupees in Lacs)	Amount in Foreign Currency	Amount Rupees in Lacs)	Amount in Foreign Currency	
a) Advance given for capital goods & others	153.89	1,86,049.10	47.41	64,168.30	
	30.57	40,278.80	47.41	64,168.30	USD
	2.97	3,610.30	0.00	0.00	CHF
	120.35	1,42,160.00	0.00	0.00	EURO



# KCL LIMITED

b)Advances received from customer	24.74	30,262.20	21.13	30262.20	USD
c) Payables:-	58.88	5,45,955.35	210.73	7,52,904.80	
	8.56	11,297.35	160.42	2,18,246.80	USD
	50.31	5,34,658.00	50.31	5,34,658.00	RMB

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note 43

#### Trade receivable ageing as on 31.03.2022

(Rupees in Lacs)

	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	6805.20	84.32	20.11	24.05	12.41	6946.10
(ii) Undisputed Trade Receivables – considered doubtful	1.48	10.90	0.64	28.53	5.66	47.20
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>6806.68</b>	<b>95.22</b>	<b>20.75</b>	<b>52.58</b>	<b>18.07</b>	<b>6993.31</b>

#### Trade receivable ageing as on 31.03.2021

	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5375.32	63.77	42.82	22.76	7.34	5512.01
(ii) Undisputed Trade Receivables – considered doubtful	1.35	11.04	40.12	13.38	14.89	80.79
(iii) Disputed Trade Receivables considered good						0.00
(iv) Disputed Trade Receivables considered doubtful						0.00
<b>TOTAL</b>	<b>5376.67</b>	<b>74.81</b>	<b>82.94</b>	<b>36.14</b>	<b>22.23</b>	<b>5592.80</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note-44

Trade Payables ageing schedule- as on 31.03.2022

(Rupees in Lacs)

	Outstanding for following periods from due date of payment				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	0.00	0.00	0.00	0.00	0.00
(ii)Others	6698.65	18.77	24.94	181.45	6923.81
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>6698.65</b>	<b>18.77</b>	<b>24.94</b>	<b>181.45</b>	<b>6923.81</b>

Trade Payables ageing schedule- as on 31.03.2021

	Outstanding for following periods from due date of payment				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i)MSME	0.00	0.00	0.00	0.00	0.00
(ii)Others	5500.51	47.76	87.79	139.53	5775.58
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>5500.51</b>	<b>47.76</b>	<b>87.79</b>	<b>139.53</b>	<b>5775.58</b>

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note 45

Related Party Disclosures: The information regarding Related Parties has been determined on the basis of criteria in Ind-AS-24 "Related Party Disclosures" and to the extent such parties have been identified by the company, on the basis of information available with them. This has been relied upon by the auditors.

As per Ind-As 24, the disclosures of transactions with the related parties are given below:

a) Name of Related Parties and description of relation :

( i ) Wholly owned Subsidiaries

KCL Paper Mills Pvt Ltd

( ii ) Key Management Personnel and Relatives

(Only Relatives of Key Management Personnel with whom the Company had transaction during the year are listed below)

**Lt Sh. Shyam Sunder Khemka**  
(Ex Chairman cum Managing Director)

**Sh. Rajeev Khemka**  
(Whole Time Director)

**Sh. Sanjeev Khemka**  
(Whole Time Director)

**Sh. Ashish Khemka**  
(Whole Time Director)

**Smt. Chandra Kala Khemka**  
(Director)

**Sh. Deeptanshu Khemka**  
(Whole Time Director)

**Smt. Vandana Khemka**  
(Wife of Sh. Rajeev Khemka)

**Smt. Vandana Khemka**  
(Wife of Sh. Sanjeev Khemka)

**Smt. Ashima Khemka**  
(Wife of Sh. Ashish Khemka)

**Ms. Mahima Khemka**  
(Daughter of Sh. Sanjeev Khemka,  
Director)

**Mr. Vardaan Khemka**  
(Son of Sh. Rajeev Khemka, Director)

**Mr. Sarthak Khemka**  
(Son of Sh. Sanjeev Khemka,  
Director)

**Smt. Sonika Khemka**  
(Wife of Sh. Deeptanshu Khemka)

**Mr. Vrinda Khemka**  
(Daughter of Sh. Rajeev Khemka,  
Director)

iii) Entities where significant influence is exercised by Key Management Personnel and/or their relatives having transactions with the Company :

**Ginni Packaging (P) Limited**  
**Khemka Packaging (P) Limited**  
**Khemka Leasing (P) Limited**

**KCL Milk Products India Private Limited**  
**Khemka Charitable Trust**

Particulars	Wholly owned Subsidiaries	Key Management Personnel and their Relatives		Othe Parties which significantly influence / are influenced by the Company (either individually or with others)			
		31/03/2022 Amount (Rupees in Lacs)	31/03/2021 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	31/03/2021 Amount (Rupees in Lacs)		
<b>a) Rent Paid</b>							
sh. Ashish Khemka		1.80	1.80				
Smt.Chandrakala Khemka		26.40	26.40				
Smt. Vandana Khemka w/o Sh.Rajeev Khemka		1.80	1.80				
Smt. Vandana Khemka w/o Sh Sanjeev Khemka		1.80	1.80				
		<b>31.80</b>	<b>31.80</b>				
<b>b) Remuneration Paid(including perquisites)</b>				---	---		
Sh.Rajeev Khemka		46.22	43.62				
Sh Sanjeev Khemka		42.40	42.32				
Sh. Ashish Khemka		41.95	42.12				
Sh.Deeptanshu Khemka		27.55	24.12				
Smt. Vandana Khemka w/o Sh.Rajeev Khemka		18.12	18.12				
Smt. Vandana Khemka w/o Sh Sanjeev Khemka		18.12	18.12				
Smt.Ashima Khemka		18.12	18.12				
Sh. Vardaan Khemka		38.95	24.12				
Ms. Vrinda Khemka		18.12	6.12				
Ms Mahima Khemka		24.05	16.54				
Sh Sarthak Khemka		9.04	7.08				
Smt Sonika Khemka		0.00	20.06				
		<b>302.64</b>	<b>280.46</b>				
<b>c) Consultancy Chagres</b>				---	---		
Smt Sonika Khemka		26.40	0.00				

	Wholly owned Subsidiaries	Key Management Personnel and their Relatives		Othe Parties which significantly influence / are influenced by the Company (either individually or with others)			
		31/03/2022 Amount (in Rs. lacs)	31/03/2021 Amount (in Rs. lacs)	31/03/2022 Amount (in Rs. lacs)	31/03/2021 Amount (in Rs. lacs)		
<b>d) Interest on unsecured loans</b>							
Smt.Chandrakala Khemka		30.00	16.36				
Sh. Ashish Khemka		1.66	1.08				
Sh.Rajeev Khemka		0.46	0.24				
Sh.Deeptanshu Khemka		0.92	0.45				
		33.03	18.13				
<b>e) CSR Expenditures</b>							
Khemka Charitable Tyrust		14.69	13.69				
<b>f) Investment in Subsidiary Companies</b>							
Kcl Paper Mills Pvt Ltd	10.00						
<b>g) Unsecured loans Taken from directors</b>							
<b>Payables at the begning</b>							
Smt.Chandrakala Khemka		749.88	822.79				
Sh. Ashish Khemka		55.09	54.09				
Sh.Rajeev Khemka		12.38	12.16				
Sh.Deeptanshu Khemka		22.96	22.54				
		840.32	911.58				
<b>Loans Accept during the year</b>							
Smt.Chandrakala Khemka		NIL	29.00				
<b>Loans repayment during the year</b>							
Smt.Chandrakala Khemka		17.29	117.03				
Sh. Ashish Khemka		18.00	0.00				
Sh.Rajeev Khemka		1.00	0.00				
Sh.Deeptanshu Khemka		0.00	0.00				
		36.29	117.03				
<b>Unsecured loans Taken from directors</b>							
<b>Payables at year end</b>							
Smt.Chandrakala Khemka		759.59	749.88				
Sh. Ashish Khemka		38.59	55.09				
Sh.Rajeev Khemka		11.80	12.38				
Sh.Deeptanshu Khemka		23.78	22.96				
		833.76	840.32				
<b>h) Inter-Corporate Deposit, Outstanding at beginning</b>							
KCL Milk Products India Pvt Ltd				980.52	967.87		
Khemka Leasing Pvt Ltd				11.89	11.77		
Khemka Packaging pvt Ltd				1.98	1.87		
Ginni Packaging Pvt Ltd				6.98	6.88		
Khemka Charitable Trust				13.74	13.74		
				1015.11	1002.15		
<b>Payments to Inter Corporates during the Year</b>							
KCL Milk Products India Pvt Ltd				9.44	12.65		
Khemka Leasing Pvt Ltd				0.44	0.11		
Khemka Packaging pvt Ltd				0.50	0.11		
Ginni Packaging Pvt Ltd				0.45	0.10		
Khemka Charitable Trust				0.00	0.00		
				10.82	12.97		
<b>Inter-Corporate Deposit, Outstanding at Close of year</b>							
KCL Milk Products India Pvt Ltd				989.96	980.52		
Khemka Leasing Pvt Ltd				12.32	11.89		
Khemka Packaging pvt Ltd				2.48	1.98		
Ginni Packaging Pvt Ltd				7.43	6.98		
Khemka Charitable Trust				13.74	13.74		
- Receivables				1025.94	1015.11		

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

Amount in Rs. Lacs

### Note 46

#### Segment Information

The Company has identified the following two Primary Business Segments during the year ended 31st March, 2021

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
<b>Revenue</b>						
Gross	For the Year ended	31-Mar-22	<b>44860.25</b>	<b>2639.59</b>		<b>47499.84</b>
		31-Mar-21	30422.22	2422.80		32845.01
Inter Segment Turnover	For the Year ended	31-Mar-22	<b>1504.42</b>	<b>53.10</b>		<b>1557.52</b>
		31-Mar-21	1147.50	36.60		1184.10
External Turnover	For the Year ended	31-Mar-22	<b>43355.83</b>	<b>2586.49</b>		<b>45942.31</b>
		31-Mar-21	29274.72	2386.20		31660.91
Less: Sales Tax	For the Year ended	31-Mar-22	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>
		31-Mar-21				
Less: GST RECOVERED	For the Year ended	31-Mar-22	<b>5888.29</b>	<b>318.46</b>		6206.75
		31-Mar-21	3395.78	282.62		3678.40
Net Turnover	For the Year ended	31-Mar-22	<b>37467.54</b>	<b>2268.03</b>		<b>39735.56</b>
		31-Mar-21	25878.94	2103.57		27982.52

#### Result

Segment Result						
Profit Before Tax & Interest	For the Year ended	31-Mar-22	<b>1817.97</b>	<b>57.47</b>	<b>-13.44</b>	<b>1862.01</b>
		31-Mar-21	605.94	280.26	2.42	888.63
Operating Profit	For the Year ended	31-Mar-22				<b>1862.01</b>
		31-Mar-21				888.63
Interest Expenses	For the Year ended	31-Mar-22				<b>421.09</b>
		31-Mar-21				414.42
Other Income	For the Year ended	31-Mar-22				<b>27.36</b>
		31-Mar-21				65.79
Income Tax	For the Year ended	31-Mar-22				<b>442.63</b>
		31-Mar-21				135.13
Profit From ordinary activities	For the Year ended	31-Mar-22				<b>998.29</b>
		31-Mar-21				339.08
Add/Less:OCI	For the Year ended	31-Mar-22				<b>9.16</b>
		31-Mar-21				-39.30
Net Profit after Tax	For the Year ended	31-Mar-22				<b>1007.46</b>
		31-Mar-21				299.77

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

Amount in Rs. Lacs

### Other Information

#### Segment Assets

Property, Plant and Equipment	For the Year ended	31-Mar-22	<b>7955.35</b>	<b>795.58</b>	<b>404.23</b>	<b>9155.16</b>
		31-Mar-21	9102.23	1011.81	239.94	9357.66
Intangible assets	For the Year ended	31-Mar-22	<b>0.00</b>			<b>0.00</b>
		31-Mar-21				0.00
Capital Work In Progress		31-Mar-22	<b>3.31</b>	<b>0.00</b>	<b>0.00</b>	<b>3.31</b>
		31-Mar-21	146.67	16.40	252.11	415.18
Right of Use Asset	For the Year ended	31-Mar-22		<b>0.00</b>	<b>70.21</b>	<b>70.21</b>
		31-Mar-21			23.06	23.06
Investment Property	For the Year ended	31-Mar-22		<b>0.00</b>	<b>168.77</b>	<b>168.77</b>
		31-Mar-21			156.19	156.19
<b>Financial Assets</b>						
Investments	For the Year ended	31-Mar-22			64.17	<b>64.17</b>
		31-Mar-21			53.93	53.93
Other Financial Assets	For the Year ended	31-Mar-22	<b>7.24</b>	<b>0.00</b>	<b>0.00</b>	<b>7.24</b>
		31-Mar-21				0.00
OtherNon Current Assets	For the Year ended	31-Mar-22	<b>389.08</b>	<b>16.07</b>	<b>1070.20</b>	<b>1475.35</b>
		31-Mar-21	209.75	47.97	1053.07	1310.79
Current Assets, Loans and Advances	For the Year ended	31-Mar-22	<b>10222.08</b>	<b>846.58</b>	<b>144.07</b>	<b>11212.73</b>
		31-Mar-21	8749.62	729.97	385.89	9865.48
Total Segment Assets	For the Year ended	31-Mar-22	<b>18577.06</b>	<b>1658.23</b>	<b>1921.65</b>	<b>22156.94</b>
		31-Mar-21	18208.28	1806.15	2164.19	21182.29
Total Assets	For the Year ended	31-Mar-22				<b>22156.94</b>
		31-Mar-21				21182.29

#### Segment Liabilities

Non Current Liabilities	For the Year ended	31-Mar-22	<b>1407.53</b>	<b>179.15</b>	<b>716.67</b>	<b>2303.35</b>
		31-Mar-21	2320.36	173.15	743.76	3237.27
Current Liabilities & Provisions	For the Year ended	31-Mar-22	<b>8960.38</b>	<b>129.40</b>	<b>33.57</b>	<b>9123.35</b>
		31-Mar-21	8068.18	118.33	35.75	8222.25
Total Segment Liabilities	As at	31-Mar-22	<b>10367.91</b>	<b>308.55</b>	<b>750.24</b>	<b>11426.70</b>
		31-Mar-21	10388.54	291.48	779.50	11459.51
Total Liabilities	As at	31-Mar-22				<b>11426.70</b>
		31-Mar-21				11459.51

<b>Capital Employed</b>	As at	31-Mar-22	<b>8209.15</b>	<b>1349.68</b>	<b>1171.40</b>	<b>10730.23</b>
		31-Mar-21	7819.74	1514.67	1384.69	9722.78
Capital Expenditure	As at	31-Mar-22				<b>902.74</b>
		31-Mar-21				943.59
Depreciation	For the Year ended	31-Mar-22	<b>1232.42</b>	<b>152.26</b>	<b>42.44</b>	<b>1427.12</b>
		31-Mar-21	1349.63	167.51	70.32	1587.46
Non - Cash Expenses other than Depreciation	For the Year ended	31-Mar-22				<b>0.00</b>
		31-Mar-21				-

46.1 Sales to two customers of the company is Rs 110 Crores (previous year Rs.92 Crores) which is more than 10% of the company's total turnover.

46.2 Revenue as per geographical area

With in India **39735.56**  
Outside India **Nil**

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note-47

#### Employee Benefits

##### a) Defined Contribution Plans

The Company has recognised ₹67.32 lacs (PY ₹ 50.17 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 2022).

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

Particulars	Leave encashment (Unfunded)		Gratuity (funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	6.80%	6.79%	7.22%	6.79%
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 (Unfunded)		Gratuity (funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present value of the obligation at the end of the year	43.45	45.09	179.71	174.76

Net Asset / (Liability) recognized in the Balance Sheet as on 31st March 2022

Particulars	Leave encashment (Unfunded)		Gratuity (funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present Value of Defined Benefit Obligation at the end of the year	43.45	45.09	179.71	174.76
Fair Value of Plan Assets	0.00	0.00	114.47	123.44
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>	<b>-43.45</b>	<b>-45.09</b>	<b>-65.24</b>	<b>-51.32</b>

Bifurcation of Obligation at the end 31st March 2022

Particulars	Leave encashment (Unfunded)		Gratuity (funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Current Liability (Short Term)	7.41	7.58	22.78	27.79
Non Current Liability (Long Term)	36.04	37.51	156.93	146.98
<b>Total</b>	<b>43.45</b>	<b>45.09</b>	<b>179.71</b>	<b>174.76</b>



# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 48. 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, 2022 were as follows :

		(Rupees in Lacs)	
		Carrying Value/Fair Value	
S. No.	Particulars	As At 31.03.2022	As At 31.03.2021
	<b>Assets :</b>		
i	Investments	64.17	53.93
ii	Cash and cash equivalents	216.01	527.46
iii	Bank balances other than (ii) above	105.66	70.81
iv	Trade receivables	6971.60	5592.80
v	Loans	100.77	80.93
vi	Other financial assets-Non Current	7.24	0.00
	<b>Total</b>	<b>7465.44</b>	<b>6325.93</b>
i	<b>Liabilities :</b>		
ii	Non Current Borrowings	1997.87	2928.21
iii	Lease Liabilities -Non Current	48.64	0.00
iv	Current Borrowings	1740.10	2082.44
v	Lease Liabilities -Current	21.56	25.16
vi	Trade Payables	6923.81	5775.58
vii	Other financial liabilities	265.46	275.26
	<b>Total</b>	<b>10997.45</b>	<b>11086.64</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

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 49 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:

(Rupees in Lacs)				
Particulars	Carrying Amount	Payable within 1 year	Payable after 1 year	Total
<b>As at 31<sup>st</sup> March 2022</b>				
Borrowings	3737.97	1740.10	1997.87	<b>3737.97</b>
Trade Payables	6923.81	6923.81	-	<b>6923.81</b>
Other Financial Liabilities	265.46	265.46	-	<b>265.46</b>
<b>As at 31<sup>st</sup> March 2021</b>				
Borrowings	5010.65	2082.44	2928.21	<b>5010.65</b>
Trade Payables	5775.58	5775.58	-	<b>5775.58</b>
Other Financial Liabilities	275.26	275.26	-	<b>275.26</b>

#### 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. 1025.93 lacs (31st March, 2021: Rs.1015.11 lacs) .

The Company's maximum exposure to credit risk as at 31st March, 2022, 31st March, 2021 is the carrying value of each class of financial assets.

## 50 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and is to safeguard the Company's ability to continue as a going concern.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as loans and borrowings less cash & marketable securities.

Particulars	31st March 2022	31st March 2021
Borrowings (note 18 and 23)	3737.97	5010.65
Less: cash and cash equivalents (note 10)	216.01	527.46
<b>Net Debt (A)</b>	<b>3521.96</b>	<b>4483.18</b>
Total Equity (note 16 and 17)	10730.23	9722.78
<b>Capital and net debt (B)</b>		
<b>Gearing ratio (A/B) %</b>	<b>32.82%</b>	<b>46.11%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### Note-51

Financial Ratios and explanation for changes in the cases where change in the ratio by more than 25% as compared to the preceding year.

Ratio	U/M	Numerator	Denominator	Current Period	Previous Period	% Change	Reason for variance
Current Ratio	Times	Current Assets	Current Liabilities	1.23	1.20	2.43	--
Debt equity ratio	Times	Total Debts <sup>(1)</sup>	Shareholder's Equity	0.35	0.52	-32.42	Debt repaid by the company
Debt Service Coverage Ratio	Times	Earning for Debt Service <sup>(2)</sup>	Debt service <sup>(3)</sup>	1.70	2.82	-39.65	Decrease was primarily on account of decrease in profits and increase in the borrowings
Return on Equity Ratio	%	Net Profits after taxes	Average Shareholder's Equity	9.76%	3.54%	175.60	Increase in net profits during the year
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	12.88	11.40	12.96	--
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables	7.31	6.13	19.21	--
Trade payables turnover ratio	Times	Net credit purchases = RM purchases + Other expenses	Average Trade Payables	5.64	4.63	21.73	--
Net capital turnover ratio (working capital turnover ratio)	%	Revenue from operations	Average Working Capital <sup>(4)</sup>	21.29%	16.35%	30.18	Primarily due to increase in turnover and profitability during the year
Net profit ratio	%	Net profit after tax.	Revenue from operations	2.51%	1.21%	107.33	Increase in net profits during the year
Return on Capital employed	%	Earning before interest, taxes and exceptional items	Capital Employed (5) = Tangible Net Worth + Total Debt + Deferred Tax Liability	13.00%	6.12%	112.59	Increase in net profits during the year
Return on investment	%	Interest Income from Bank Deposits	Bank Deposits	3.5% to 5.5%	4% to 6.5%	--	

(1) Long-Term borrowings + Short-Term borrowings + Inter corporate loans + interest accrued

(2) Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(3) Interest & Lease Payments + Principal Repayments

(4) Working Capital = current assets minus current liabilities

(5) Tangible Net Worth + Total Debt + Deferred Tax Liability - deferred tax assets

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

### 52. Other statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

ii) The company does not have any transaction with such entities whose name has been struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The company does not have any immovable property whose title deeds are not held in the name of the company except refer note no. 41(1).

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

vi) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

xi) The company has not revalued any of its Property, Plant and Equipment.

xii). The company has granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are

(a) Repayable on demand or

(b) Without specifying any terms or period of repayment

(Rupees in Lacs)

Type of Borrower		Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters		0.00	--
Directors		0.00	--
KMPs		0.00	--
Related Parties		1025.94	91.06%

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

Note-53

(Rupees in Lacs)

Reconciliation of Quarterly bank stock statement for working capital-FY 2021-22							
Lending banks - HDFC Bank Limited and The Hongkong and Shanghai Banking Corporation Limited							
	Particulars	As at March 31,2022		Amount of difference	As at March 31,2021		Amount of difference
		Financial Statements	Quarterly return		Financial Statements	Quarterly return	
Quarter 4	Inventory(excluding scrap)	3454.49	3213.97	240.52	2714.28	2780.19	-65.91
	Sundry Debtors	6971.60	6838.71	132.89	5592.80	5360.52	232.28
	Sundry Creditors	6923.81	6720.68	203.13	5775.58	5537.88	237.70
	Net Current Assets	3502.28	3332.00	170.28	2531.50	2602.84	-71.34
Quarter 3	Inventory(excluding scrap)	2544.55	2435.42	109.13	2224.97	2206.34	18.63
	Sundry Debtors	6969.56	6859.58	109.97	4744.28	4507.24	237.04
	Sundry Creditors	5751.02	5579.22	171.79	4722.91	4195.01	527.90
	Net Current Assets	3763.09	3715.79	47.31	2246.34	2518.57	-272.23
Quarter 2	Inventory(excluding scrap)	2487.81	2443.04	44.77	1820.46	1953.23	-132.77
	Sundry Debtors	6397.51	6264.61	132.89	5012.12	4702.85	309.27
	Sundry Creditors	5727.08	5581.78	145.31	4707.50	4183.96	523.54
	Net Current Assets	3158.23	3125.87	32.36	2125.08	2472.12	-347.04
Quarter 1	Inventory(excluding scrap)	2560.46	2845.27	-284.81	2204.27	2363.72	-159.45
	Sundry Debtors	5300.89	5073.63	227.26	4444.08	4146.83	297.25
	Sundry Creditors	4849.43	4630.76	218.67	4643.62	3985.05	658.56
	Net Current Assets	3011.92	3288.14	-276.21	2004.73	2525.50	-520.77
The stock statements are Prepared and filed before completion of financial statements closure activities including AS adjustments,reclassification,set off as applicable, which lead to these differences between final financial statements and the bank stock statment based on provisional books of accounts.							

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

Note-54 Term of repayment of term loans & vehicle loans are as under:

(Rupees in Lacs)

Particulars	Weighted average Rate of interest (P.A.)	Installment	Outstanding as at 31.03.2022		Annual repayment schedule				
Term Loans				2022-23	2023-24	2024-25	2025-26	2026-27	
HDFC Bank	8.30	Monthly	1186.77	565.16	251.80	253.41	115.24	1.16	
HSBC Bank	8.20	Monthly	724.91	268.05	225.95	209.61	21.03	0.27	
Sub-Total			1911.68	833.21	477.75	463.02	136.27	1.42	
Vehicle Loan	8.50	Monthly	193.79	108.15	65.38	20.27			
Sub-Total			2105.47	941.36	543.13	483.29	136.27	1.42	
Total			4017.15	1774.57	1020.88	946.32	272.53	2.85	

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March,2022

(Rupees in Lacs)

55. INVESTMENT PROPERTIES	As at 31-Mar-22	As at 31-Mar-21
Gross balance at beginning	204.09	204.09
Additions during the year	19.25	0.00
Disposals / Deductions	0.00	0.00
Depreciation for the year	6.66	7.36
Accumulated Depreciation	47.90	40.54
Net balance at the end of reporting period	168.77	156.19
Fair Value	247.00	220.00
Amount recognised in Statement of Profit & Loss for Investment Properties	Year ended 31 March 2022	Year ended 31 March 2021
Rental Income	7.20	3.60

**The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.**

Note 1: The investment properties consist of residential properties in India and have been categorised as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note 2: The fair value of Investment properties has been determined on the basis of available circle rates of the property of the concerned registration authority and has been categorised in level 3 fair value.

Note 3: The conveyance deed of this Investment properties valued at are yet to be executed in favor of the company (refer note no.41(1)(c)).



# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March, 2022

### 56 Ind AS 116

#### (a) Impact on transition to Ind AS 116 for the year ended 31 March 2020

On transition to Ind AS 116, the Company recognized right-of-use assets and lease liabilities, recognizing the difference in

Particulars	Amount (Rupees in Lacs)
Right of use assets	70.21
Lease liabilities	70.21

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

#### (b) Information about leases for which the Company is a lessee is presented below

##### Right-of-use assets

Right-of-use assets related to lease hold properties

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
a) Opening Balance	23.06	46.12
b) Addition	70.21	0.00
c) Depreciation charge for the year	23.06	23.06
d) Closing Balance	70.21	23.06

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of profit and loss

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
a) Opening Balance	25.16	48.16
b) Addition	70.21	0.00
c) Finance Cost accrued during the year	1.24	3.40
d) Payment of lease liabilities	26.40	26.40
e) Closing Balance	70.21	25.16

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
Non-current lease liabilities	48.64	0.00
Current lease liabilities	21.56	25.16
Total	70.21	25.16

##### Lease liabilities

Maturity analysis – contractual discounted cash flows

Particulars	Carrying Amount	Contractual cash flows		
		0-1 Years	1-5 Years	5 Years and Above
Lease Liabilities	0.00	21.56	48.64	0.00

# KCL LIMITED

## Standalone Notes on Financial Statements for the year ended 31st March, 2022

### Note-57

1. Disclosure pursuant to Indian Accounting Standard (Ind AS) 27, Separate Financial Statements

Investments in following subsidiary companies are accounted at cost:

Sr. no.	Name of the subsidiary companies	Principal place of business	Proportion of direct ownership as on 31st March, 2022	Proportion of direct ownership as on 31st March, 2021
1	KCL Paper Mill Private Limited	India	100%	--

### Note-58

#### Events after the reporting date

There are no reportable events that occurred after the end of the reporting period.

59. 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.

60. Note 1 to 59 are annexed to and form an integral part of the Balance Sheet as at 31st Mar 2022, 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:



## **ROHIT BAID & CO.**

CHARTERED ACCOUNTANTS

2B/49, N.I.T.

FARIDABAD-121001

Ph.: 09953450129

E-mail: rohitbaid03@gmail.com

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### **INDEPENDENT AUDITORS' REPORT**

#### **TO THE MEMBERS OF KCL LIMITED**

#### **Report on the Audit of the Consolidated Ind AS Financial Statements**

#### **Qualified Opinion**

We have audited the accompanying Consolidated Ind AS financial statements of KCL LIMITED (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the consolidated Balance Sheet as at 31 March 2022, the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the year then ended and notes to the Consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the audit reports on separate audited financial statements of the subsidiary except for the effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid Ind AS Consolidated financial statements give the information required by the Companies Act, 2013, as amended (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 consolidated state of affairs (financial position) of the Group as at 31 March 2022, and their consolidated profit (financial performance including other comprehensive income), their consolidated cash flows and the consolidated statement of changes in equity for the year ended on that date

#### **Basis for Qualified Opinion**

As stated in note 4.1 & 7.1 in the accompanying statement of Consolidated financial statements, the holding Company has investment in equity shares and loans given to its related party company M/s KCL Milk Products India Pvt Ltd amounting to Rs.49 Lacs & Rs.989.96 Lacs respectively. This

related party has negative net current assets and it has negative net worth. As described in the aforementioned note, the management, basis its internal assessment, has considered such balances as fully recoverable. However, the management has not carried out a detailed and comprehensive impairment testing in accordance with the principles of Indian Accounting Standard – 36, “Impairment of Assets” and Indian Accounting Standard – 109, “Financial Instruments”. In the absence of sufficient appropriate audit evidence to support the management’s aforesaid assessment, we are unable to comment upon adjustments, if any, that may be required to the carrying value of these investments & loans and its consequential impact on the accompanying consolidated financial profit and financial position of the group for the year ended March 31, 2022.

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 Consolidated Ind AS 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 qualified opinion on the Consolidated Ind AS financial statements.

### **Key Audit Matters**

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

### **Emphasis of matter**

1. We draw attention to note 41(3) in the accompanying statement of Consolidated financial statements, wherein it has been stated that the holding company had received certain concerns raised by one of director of the parent company with respect to matters of corporate governance and other procedural aspects of financial accounting of the company. As per the information and explanations given to us, management believes that there would be no impact of the same on these consolidated financial statements.

Our conclusion is not modified in respect of this matter.

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

The Holding 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 Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS 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 Consolidated Ind AS 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, as for the year ended March 31, 2022 the other information has not yet been prepared and not yet approved by Board of Directors.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS financial statements**

The Holding 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 Consolidated Ind AS financial statements that give a true and fair view of the consolidated state of affairs (financial position), consolidated profit or loss (financial performance including other comprehensive income), consolidated statement of changes in equity and consolidated 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

### **Auditors' Responsibility for the audit of the Consolidated Ind AS Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS 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 Consolidated Ind AS financial statements.

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 Consolidated Ind AS 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 Group 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

consolidated 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 Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group of which we are the independent auditors to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the Statement of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Ind AS 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**

1. In our opinion and based on the consideration of reports of statutory auditors of the subsidiaries, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure-A**" a statement on the matters specified in paragraph 3(xxi) of the Order.
3. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
  - a) We have sought and except for the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - b) Except for the matter described in the Basis for Qualified Opinion paragraph, in our opinion proper books of account as required by law have been kept so far as it appears from our examination of those books;
  - c) the consolidated Balance Sheet, the consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the consolidated Statement of Cash Flow and consolidated Statement of changes in equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
  - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - e) on the basis of the written representations received from the directors of the Holding Company as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) the qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section;
  - g) With respect to the adequacy of the internal financial controls with reference to these Consolidated Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**"; and
  - h) 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements as referred to in Note No.41.1, 41.7 & 41.8 to the consolidated Ind AS financial statements.
- ii. The consolidated financial statements 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 holding company and its subsidiary.
- iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 52(vii) to the Consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of its knowledge and belief, as disclosed in the note 52(viii) to the Consolidated financial statements, no funds have been received by the Company from any person(s) or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend declared or paid during the year by the holding company and subsidiary company and therefore reporting under this clause for compliance with section 123 of the Companies Act, 2013, is not applicable on the Group.

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

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

**Place: Faridabad**  
**Date: 05.08.2022**

**Annexure-A to the Independent Auditor's Report**

Annexure-A referred to in paragraph 2 of our report of even date on Other Legal and Regulatory Requirements for the year ended March 31, 2022

1. Summary of comments and observations given by the respective auditors in the Companies (Auditors Report) Order of the respective companies included in the consolidated financial statements, is given hereunder:

S.No.	Name	CIN	Holding company/ subsidiary	Clause number of the CARO report which may have possible adverse impact
1.	KCL Limited	L74899DL1983PLC068008	Standalone Holding Company	i(c), ii(b), iii, iv

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

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

**Place: Faridabad**  
**Date: 05.08.2022**

## **ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED 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** (hereinafter referred to as the “Holding Company”) and its subsidiary companies, which are companies incorporated in India, as of March 31, 2022 in conjunction with our audit of the Consolidated Ind AS financial statements of the Company for the year ended on that date.

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

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company 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.

### **Qualified Opinion**

According to the information and explanations given to us and based on our audit, material weakness has been identified in the Company's internal financial controls over financial reporting as at March 31, 2022 as regards evaluation of uncertainty for realising the carrying value of its investments / loans related to KCL Milk Products Private Limited, a related party company, aggregating to Rs.1038.96 Lacs.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these Consolidated financial statements and such internal financial controls over financial reporting with reference to these Consolidated financial statements were operating effectively as of March 31, 2022, 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.

**Explanatory paragraph**

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the Consolidated financial statements of KCL Limited, which comprise the Balance Sheet as at March 31, 2022, and the related Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information, and our report dated 5<sup>th</sup> August, 2022, expressed a qualified opinion.

**For ROHIT BAID & CO.**

**Chartered Accountants**

**(Firm Registration No. 031122N)**

**CA ROHIT BAID**

**Proprietor**

**Membership No. 535947**

**Place: Faridabad**

**Date: 05.08.2022**

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Consolidated Balance Sheet as at 31st March 2022

(Rupees in Lacs)

Particulars	Note No.	As at 31-Mar-2022 IND AS	As at 31-Mar-2021 IND AS
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	3	9155.16	9357.66
Capital work-in-progress	3	3.31	415.18
Right of Use Asset	3	70.21	23.06
Investment Property	3	168.77	156.19
Other Intangible assets	3	0.00	0.00
Financial Assets			
i Investments	4	54.17	<b>53.93</b>
ii Other financial assets	5	7.24	0.00
Deferred Tax Assets (net)	6	0.00	0.00
Other non-current assets	7	1475.60	1310.79
<b>Total Non-Current Assets</b>		<b>10934.46</b>	<b>11316.81</b>
<b>Current Assets</b>			
Inventories	8	3454.64	2716.11
Financial Assets			
i Trade receivables	9	6971.60	5592.80
ii Cash and cash equivalents	10	226.01	527.46
iii Bank balances other than (ii) above	11	105.66	70.81
iv Loans	12	100.77	80.93
vi Other financial assets	13	4.87	0.91
Current Tax Assets (Net)	14	42.66	80.10
Other current assets	15	316.52	796.36
<b>Total Current Assets</b>		<b>11222.73</b>	<b>9865.48</b>
<b>Total Assets</b>		<b>22157.19</b>	<b>21182.29</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16	300.01	300.01
Other Equity	17	10430.22	9422.77
<b>Total Equity</b>		<b>10730.23</b>	<b>9722.78</b>

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Consolidated Balance Sheet as at 31st March 2022

(Rupees in Lacs)

Particulars	Note No.	As at 31-Mar-2022	As at 31-Mar-2021
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	18	1997.87	2928.21
Lease liabilities	19	48.64	0.00
Provisions	20	101.28	88.83
Deferred Tax Liabilities (Net)	21	150.45	207.00
Other Non-Current Liabilities	22	5.11	13.23
<b>Total Non-Current Liabilities</b>		<b>2303.35</b>	<b>3237.27</b>
<b>Current Liabilities</b>			
Financial Liabilities			
i Borrowings	23	1740.10	2082.44
ii Lease liabilities	24	21.56	25.16
iii Trade Payables	25		
Micro & Small Enterprises	25	0.00	0.00
Others	25	6923.81	5775.58
iii Other financial liabilities	26	265.71	275.26
Other Current Liabilities	27	165.01	56.23
Provisions	28	7.41	7.58
Current Tax Liabilities (Net)	29	0.00	0.00
<b>Total Current Liabilities</b>		<b>9123.60</b>	<b>8222.25</b>
<b>Total Liabilities</b>		<b>11426.95</b>	<b>11459.51</b>
<b>Total Equity and Liabilities</b>		<b>22157.19</b>	<b>21182.29</b>

Significant Accounting Policies

2

-

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Notes to Accounts

1-60

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:**

# KCL LIMITED

CIN-L74899DL1983PLC068008

## Consolidated Statement of Profit & Loss for the year ended on 31st March 2022

(Rupees in Lacs)

Particulars	Note No.	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
<b>INCOME</b>			
Revenue from Operations	30	45942.31	31660.91
Less : GST Recovered		6206.75	3678.40
		<b>39735.56</b>	27982.52
Other Income	31	27.36	65.79
<b>Total Income</b>		<b>39762.92</b>	28048.30
<b>EXPENSES</b>			
(a) Cost of Materials Consumed	32	27346.32	18740.44
(b) Changes in Inventories of Finished Goods &	33	139.61	-234.68
(c) GST/Excise Duty / Service Tax Paid		5.51	36.75
(d) Employee Benefits Expense	34	2898.45	2525.27
(e) Finance Costs	35	421.09	414.42
(f) Depreciation and Amortization Expenses	36	1427.12	1587.46
(g) Other Expenses	37	6083.89	4504.43
<b>Total Expenses</b>		<b>38322.00</b>	27574.09
<b>Profit before tax</b>		<b>1440.92</b>	474.21
<b>Tax expense:</b>			
Current Tax		499.10	248.50
Mat Credit Entitlement		0.00	0.00
Income Tax related to earlier years		0.08	14.30
Deferred Tax Adjustment		-56.55	-127.67
<b>Total Tax Expenses</b>		<b>442.63</b>	135.13
<b>Profit for the year</b>		<b>998.29</b>	339.08



# KCL LIMITED

CIN-L74899DL1983PLC068008

## Consolidated Statement of Profit & Loss for the year ended on 31st March 2022

(Rupees in Lacs)

Particulars	Note No.	Year Ended 31-Mar-2022	Year Ended 31-Mar-2021
<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		0.24	0.30
(ii) Remeasurement of net defined benefit plans		8.92	-39.61
Income tax relating to items that will not be reclassified to profit or loss			0.00
(B) Items that will be reclassified to profit or loss		0.00	0.00
Income tax relating to items that will be reclassified to profit or loss			0.00
<b>Total Comprehensive Income for the year</b>		<b>1007.46</b>	<b>299.77</b>
<b>Earnings per Equity Share of face value of Rs.10/- each</b>	38		
<b>Basic in Rs.</b>		<b>33.58</b>	9.99
<b>Diluted in Rs.</b>		<b>33.58</b>	9.99
Significant Accounting Policies	2		
Notes to Accounts	1-60		
<b>Accompanying Notes are an integral part of the financial statements</b>			

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:

**KCL LIMITED****CIN-L74899DL1983PLC068008****Consolidated Cash Flow Statement for the period ended on 31st March, 2022****(Rupees in Lacs)**

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
<b>Cash Flow from Operating Activities</b>		
<b>Net Profit before Tax</b>	<b>1440.92</b>	<b>474.21</b>
<u>Add</u>		
Loss /Theft on sales of fixed assets	<b>0.00</b>	<b>0.47</b>
Depreciation and Amortisation	<b>1427.12</b>	<b>1587.46</b>
Provision for Gratuity & Leave Encashment	<b>21.21</b>	<b>25.31</b>
Finance Costs	<b>421.09</b>	<b>414.42</b>
<u>less</u>		
Profit on Sale of Assets	<b>-0.78</b>	<b>-4.21</b>
Interest Income	<b>-16.60</b>	<b>-10.72</b>
Operating Profit before Working Capital changes	<b>3292.95</b>	<b>2486.94</b>
<u>Changes in Working Capital:</u>		
<i>Adjustments for (increase) / decrease in Operating Assets:</i>		
Inventories	<b>-738.53</b>	<b>-523.61</b>
Trade Receivables	<b>-1378.80</b>	<b>-863.74</b>
Loans-current	<b>-19.84</b>	<b>-13.14</b>
Bank balance other than cash and cash equivalents	<b>-34.85</b>	<b>-18.59</b>
Other current assets	<b>241.44</b>	<b>-5.82</b>
Other financial assets	<b>-3.96</b>	<b>0.00</b>
Other Non Financial Assets	<b>-7.24</b>	<b>-33.00</b>
Other Non Current Assets	<b>-8.88</b>	<b>-33.00</b>
<i>Adjustments for increase / (decrease) in Operating Liabilities:</i>		
Trade Payables	<b>1148.23</b>	<b>941.37</b>
Other financial liabilities	<b>-9.54</b>	<b>16.45</b>
Other Current Liabilities	<b>108.77</b>	<b>38.73</b>
Other lease liabilities	<b>-3.59</b>	<b>-25.16</b>
Cash generated from Operations	<b>2586.16</b>	<b>2000.44</b>
Income Tax Paid (Net of Refunds)	<b>-223.33</b>	<b>-100.68</b>
<b>Net Cash Flow from Operating Activities (A)</b>	<b>2362.83</b>	<b>1899.76</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchases of Property, Plant and Equipment & Intangible Assets [including	<b>-902.74</b>	<b>-943.59</b>
Advance for capex	<b>-155.94</b>	<b>-101.22</b>
Creditor for capex	<b>-8.12</b>	<b>13.23</b>
Investment in subsidiary	<b>0.00</b>	<b>0.00</b>
Increase/decrease in Long Term Capital Advances		
Proceeds from Sale of Fixed Assets	<b>31.04</b>	<b>16.43</b>
Interest Received	<b>16.60</b>	<b>10.72</b>
<b>Net Cash Flow from / (used in) Investing Activities (B)</b>	<b>-1019.16</b>	<b>-1004.44</b>

**KCL LIMITED****CIN-L74899DL1983PLC068008****Consolidated Cash Flow Statement for the period ended on 31st March, 2022****(Rupees in Lacs)**

<b>Particulars</b>	<b>For the year ended 31.03.2022</b>	<b>For the year ended 31.03.2021</b>
<b>C. Cash flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	<b>-930.34</b>	165.70
Net increase / (decrease) in short term Borrowings	<b>-342.34</b>	-234.11
Other Financial Liabilities	<b>48.64</b>	-
Interest Paid	<b>-421.09</b>	-414.42
<b>Net Cash Flow from / (used in) Financing Activities (C)</b>	<b>-1645.13</b>	-482.83
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>-301.45</b>	412.49
Cash and Cash Equivalents at the beginning of the year	<b>527.46</b>	114.97
<b>Cash and Cash Equivalents at the end of the year</b>	<b>226.01</b>	527.46
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	<b>5.03</b>	6.87
(b) Balances with Banks		
(i) In Current Accounts	<b>36.31</b>	387.28
(ii) In Fixed Deposits	<b>184.67</b>	133.32
	<b>226.01</b>	527.46

**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:**

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### A. Equity Share Capital

	No. of Shares	Amount (Rupees in Lacs)
As at 1st April, 2020	30,00,085	300.01
Changes in equity share capital during the year 20-21	0.00	0.00
<b>As at 31st March, 2021</b>	<b>30,00,085</b>	<b>300.01</b>
Changes in equity share capital during the year 21-22	0.00	0.00
<b>As at 31st March, 2022</b>	<b>30,00,085</b>	<b>300.01</b>

### B. Other Equity

Particulars	Reserves and Surplus				(Rupees in Lacs)
	Capital Reserve	Security Premium Account	General Reserve	Retained Earnings & Other Comprehensive Income	Total
As at 1st April, 2020	107.14	249.01	7103.24	1663.60	<b>9122.99</b>
Profits for the year	0.00	0.00	0.00	339.08	339.08
Amount transferred to General Reserve	0.00	0.00	0.00	0.00	0.00
Other comprehensive income for the year	0.00	0.00	0.00	-39.30	-39.30
<b>Total comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>299.77</b>	<b>299.77</b>
As at 31st March, 2021	<b>107.14</b>	<b>249.01</b>	<b>7103.24</b>	<b>1963.37</b>	<b>9422.77</b>
Profits for the year	0.00	0.00	0.00	998.29	998.29
Amount transferred to General Reserve			0.00	0.00	0.00
Other comprehensive income for the year	0.00	0.00	0.00	9.16	9.16
<b>Total comprehensive income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1007.46</b>	<b>1007.46</b>
<b>As at 31st March, 2022</b>	<b>107.14</b>	<b>249.01</b>	<b>7103.24</b>	<b>2970.83</b>	<b>10430.22</b>

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:

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 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 Poanta Sahib (H.P.), Cheyyar (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. A wholly owned subsidiary company namely M/s KCL Paper Mill Private Limited, owned by M/s KCL LTD was incorporated on 21.04.2021, however, no business operations in the subsidiary company was started for the period ended on 31.03.2022.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on 05.08.2022.

### 2 SIGNIFICANT ACCOUNTING POLICIES

#### Compliance with Ind AS

The financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the 'Act') [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

#### 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 accrual and going concern basis under historical cost convention, 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.

Company's financial statements are presented in India Rupees, which is also its functional currency. All amount in the financial statements and accompanying notes are presented in lakhs Indian Rupees and have been rounded-off to two decimal place in accordance with the provisions of Schedule III, unless stated otherwise.

#### Principles of Consolidation

The consolidated financial statements relates to KCL Limited ('the Company') and its subsidiary companies (the company and subsidiaries referred to as "Group"). The consolidated financial statements have been prepared on the following basis :

- The financial statements of The Company and its subsidiaries are combined on A line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
- Where the cost of the investment is higher/lower than the share of equity in the subsidiary/ associates at the time of acquisition, the resulting difference is disclosed as goodwill/capital reserve in the investment schedule.
- The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
- The carrying amount of parent's investment in subsidiary is offset (eliminated) against the parent's portion of equity in subsidiary.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

- Non-Controlling Interest's/ Minority Interest's share of profit / loss of consolidated subsidiary for the year is identified and adjusted against the income of the Group in order to arrive at the net income attributable to shareholders of the Company.

-Non-Controlling Interest's/ Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet.

### Information on Subsidiary Company

Particulars	% of voting power held as at 31.03.2022
KCL PAPER MILL PRIVATE LIMITED	100%

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

### 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 lossess, 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.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 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.

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.

#### Investment properties

Investment properties are properties held either to earn rental income or capital appreciation or for both but not for sale in the ordinary course of business, use in production or supply of goods or services or for other administrative purposes. Investment properties are initially measured at cost including transaction cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation or impairment loss. Depreciation on investment properties are provided over the estimated useful life and is not different than useful life as mentioned in schedule II of the Companies Act 2013.

Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the assets is recognised in profit or loss in the period of derecognised.

Though the company measures investment properties using cost based measurement, the fair value of investment properties is disclosed in the notes. Fair value are determined by using circle rates of the concerned registration authority.

### 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

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 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 at time proportion basis taking into account the amount outstanding and the rate applicable.

Export incentives are accounted for on exports of goods, if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are reasonably expected to be fulfilled.

### 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.



# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 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.

#### 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.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 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.

#### 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.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

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

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 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

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

(Rupees in Lacs)

### Note 3 Property, Plant & Equipment

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	As at 01.04.2021	Additions	Sales /or Adjustment	As at 31.03.2022	As at 01.04.2021	For the year	Sales / or Adjustment	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>Owned Assets:</b>										
Land	509.83	398.15		907.99	0.00			0.00	907.99	509.83
Lease hold Land	979.94			979.94	0.00			0.00	979.94	979.94
Building	4192.41	91.79		4284.20	2032.71	205.41		2238.12	2046.07	2159.70
Tubewell	8.78		0.68	8.10	7.61	0.00	0.65	6.96	1.14	1.17
Plant & Machinery	13589.11	625.98	183.19	14031.90	8590.34	967.02	162.75	9394.61	4637.29	4998.77
Electric Installations	356.37	0.00	3.22	353.15	304.40	19.54	2.93	321.01	32.14	51.97
Moulds & Dies	4.45	0.00		4.45	3.69	0.00		3.69	0.76	0.76
Testing & Checking	86.07	4.36	3.05	87.39	65.93	5.48	2.89	68.51	18.87	20.14
Fire Fighting Equipment	104.84	0.55	1.70	103.69	56.83	12.42	1.61	67.65	36.04	48.01
Furniture & Fixture	250.31	18.66	28.93	240.05	172.15	21.14	25.45	167.84	72.21	78.16
Computer	162.09	17.62	0.28	179.42	147.84	10.16	0.27	157.74	21.69	14.24
Office Equipments	90.77	8.75	23.19	76.33	80.52	5.28	22.07	63.73	12.59	10.25
Intercom Systems	47.99	3.81	26.35	25.46	40.58	3.18	24.89	18.87	6.59	7.42
Air Conditioner	94.85	2.97	27.38	70.44	72.68	6.73	25.07	54.34	16.09	22.18
Vehicle	702.67	47.07	0.10	749.65	584.67	37.53	0.09	622.11	127.53	118.00
Trucks & Tractors	932.97	0.00	10.02	922.94	612.81	94.69	9.16	698.34	224.60	320.16
Material Handling Equipments	34.33	5.45		39.77	17.36	8.81		26.17	13.60	16.97
Temporary Construction	0.44			0.44	0.44			0.44	0.00	0.00
<b>Sub-Total</b>	<b>22148.24</b>	<b>1225.16</b>	<b>308.10</b>	<b>23065.30</b>	<b>12790.58</b>	<b>1397.40</b>	<b>277.84</b>	<b>13910.14</b>	<b>9155.16</b>	<b>9357.66</b>
<i>Prev Year</i>	<i>21607.55</i>	<i>780.52</i>	<i>239.84</i>	<i>22148.24</i>	<i>11463.24</i>	<i>1554.48</i>	<i>227.15</i>	<i>12790.58</i>	<i>9357.66</i>	<i>10144.31</i>
<b>Capital Work in Progress</b>										
Plant & Machinery	163.08	3.31	163.08	3.31	0.00	0.00	0.00	0.00	3.31	163.08
Land & Building	252.11		252.11	0.00	0.00	0.00	0.00	0.00	0.00	252.11
<b>Sub-Total</b>	<b>415.18</b>	<b>3.31</b>	<b>415.18</b>	<b>3.31</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3.31</b>	<b>415.18</b>
<i>Prev Year</i>	<i>252.11</i>	<i>163.08</i>	<i>0.00</i>	<i>415.18</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>415.18</i>	<i>252.11</i>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note 3 Property, Plant & Equipment

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
<b>Leased Assets:</b>										
<b>Right-of-Use Assets* :</b>										
Land & Building	69.18	70.21	0.00	139.39	46.12	23.06		69.18	70.21	23.06
<b>Sub-Total</b>	<b>69.18</b>	<b>70.21</b>	<b>0.00</b>	<b>139.39</b>	<b>46.12</b>	<b>23.06</b>	<b>0.00</b>	<b>69.18</b>	<b>70.21</b>	<b>23.06</b>
Prev Year	69.18	0.00	0.00	69.18	23.06	23.06	0.00	46.12	23.06	46.12

\* Refer Note no. 56

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
<b>INVESTMENT PROPERTIES</b>										
Land (SAHA)	86.05	19.25		105.30	0.00			0.00	105.30	86.05
Building(SAHA)	118.04			118.04	47.90	6.66		54.57	63.48	70.14
<b>Sub-Total</b>	<b>204.09</b>	<b>19.25</b>	<b>0.00</b>	<b>223.34</b>	<b>47.90</b>	<b>6.66</b>		<b>54.57</b>	<b>168.77</b>	<b>156.19</b>
Previous year	204.09	0.00	0.00	204.09	40.54	7.36	0.00	47.90	156.19	163.55

\* Refer Note no. 55

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
<b>Intangible Assets</b>										
Computer Software	57.44			57.44	57.44	0.00		57.44	0.00	0.00
<b>Sub-Total</b>	<b>57.44</b>	<b>0.00</b>	<b>0.00</b>	<b>57.44</b>	<b>57.44</b>	<b>0.00</b>	<b>0.00</b>	<b>57.44</b>	<b>0.00</b>	<b>0.00</b>
Previous year	57.44	0.00	0.00	57.44	54.89	2.55	0.00	57.44	0.00	2.55
<b>Total</b>	<b>22894.14</b>	<b>1317.92</b>	<b>723.28</b>	<b>23488.78</b>	<b>12942.05</b>	<b>1427.12</b>	<b>277.84</b>	<b>14091.33</b>	<b>9397.45</b>	<b>9952.09</b>
Previous year	22190.38	943.59	239.84	22894.14	11581.74	1587.46	227.15	12942.05	9952.09	10608.64

### Capital work-in-progress (CWIP) ageing schedule

For the year ended March 31, 2022

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Tota
Projects in progress	3.31	-	-	-	3.31
Projects temporarily suspended	-	-	-	-	-

There is no CWIP whose completion is overdue or has exceeded its cost compared to its initial plan

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 4 Investments

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b><u>Investments measured at Cost</u></b>		
<b>Unquoted Equity Shares</b>		
i) 42000 Equity Shares of Ginni Packaging Private Limited of Rs.10/- each fully paid up.	4.22	4.22
ii) 490000 Equity shares of M/s KCL Milk Products India Private Limited of Rs.10/- each fully paid up.	49.00	49.00
<b>Investments measured at Fair Value Through Other Comprehensive Income)</b>		
<b>Quoted Equity Shares</b>		
609 no. of Equity Shares of Indian Bank	0.95	0.71
<b>Total</b>	<b>54.17</b>	<b>53.93</b>

4.1 The company has outstanding investment in equity shares of its related party company M/s KCL Milk Products India Pvt Ltd of Rs. 49 Lacs, however, net worth of such company has been eroded as per latest audited financial statement available. 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(non current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Other Bank Balances</b>		
- Fixed Deposits with more than 12 months maturity period*	7.24	0.00
<b>Total</b>	<b>7.24</b>	<b>0.00</b>

\* Ledged with government department/banks as security.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 6 Deferred Tax Assets (Net)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	0.00	0.00
Fixed Assets	0.00	0.00
Others		
<b>Total Deferred Tax Assets</b>	<b>0.00</b>	<b>0.00</b>

### 7 Other non-current assets

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Loan to related parties (Refer Note No. 45)</b>		
Unsecured & considered good, unless otherwise stated, as certified by the management		
- Inter Corporate Loans	<b>1012.19</b>	<b>1001.37</b>
- Others	<b>13.74</b>	<b>13.74</b>
Sub Total (A)	<b>1025.94</b>	<b>1015.11</b>
Advance for Capital Goods (B)	<b>270.96</b>	<b>115.02</b>
Security Deposits with government authorities & others( C)	<b>115.90</b>	<b>106.89</b>
Prepaid Expenses (D)	<b>23.02</b>	<b>25.99</b>
Other recievables(E)	<b>30.85</b>	<b>30.85</b>
VAT Credit Receivable(F)	<b>8.70</b>	<b>9.82</b>
<b>Preoperative Expenses ( subject to allocation )</b>		
Brought Forward	<b>7.11</b>	<b>7.11</b>
Addition during the year	<b>0.25</b>	<b>0.00</b>
Less : Transferred during the year	<b>7.11</b>	<b>0.00</b>
Preoperative Expenses (G)	<b>0.25</b>	<b>7.11</b>
<b>Total (A + B+C+D+E+F+G)</b>	<b>1475.60</b>	<b>1310.79</b>

7.1 Time period of Loans given & outstanding as at 31.03.2022 to its related party company & others amounting to Rs.1025.93 Lacs, is not defined / available, Further net worth of one party M/s KCL Milk Products India Pvt Ltd has been eroded as per latest audited financial statement available. However, based on internal assesement, the management believes that these inter corporate outstanding loans will be realised, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial Instruments".

7.2 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".



# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 8 Inventories

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Raw materials	2691.33	1881.10
Work-in-Progress	124.33	335.66
Finished Goods	401.81	328.42
Scrap	0.15	1.83
Stores and Spares	237.02	169.10
<b>Total</b>	<b>3454.64</b>	<b>2716.11</b>

8.1 Inventories have been hypothecated with banks against working capital loans.

### 9 Trade Receivables

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
- Secured, Considered Good		
- Unsecured, Considered Good	6946.10	5512.01
- Trade receivable which has significant increase in credit risk	25.49	80.79
-Trade Receivable- credit impaired	21.71	0.00
<b>Total</b>	<b>6993.31</b>	<b>5592.80</b>
-Less allowance for doubtful debts	-21.71	0.00
<b>Total</b>	<b>6971.60</b>	<b>5592.80</b>

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

9.2 The Company has filed recovery suit in Lower / District court, against three debtors (previous year-two debtors) involving amount of RS.22.66 Lacs (previous year Rs.15.57 Lacs) for recovery & the matter is pending for disposal. In respect of other doubtful debts, the management is trying their best efforts and quite hopeful for recovery.

9.3 Agewise disclosure as required are attached in note no.43

9.4 The company does not have debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 10 Cash and cash equivalents

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Cash and Cash Equivalents</b>		
Cash in hand (as certified by the management)	5.03	6.87
Balances with Banks	0.00	0.00
- In Current Accounts	36.31	387.28
- Fixed Deposits (with Banks less than 3month period)	184.67	133.32
<b>Total</b>	<b>226.01</b>	<b>527.46</b>

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

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Other Bank Balances</b>		
- In Margin Money Accounts	50.99	70.60
-Fixed Deposits (with bank more than 3 months but < 12 mth period)	50.53	0.00
- Fixed Deposits with more than 12 months maturity period	7.24	0.00
- In Employees Group Gratuity Saving Bank Account	4.13	0.21
Less: Amount disclosed under the head "other Non Current Financial Assets" (Refer note 5)	-7.24	0.00
<b>Total</b>	<b>105.66</b>	<b>70.81</b>

### 12 Loans (Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Loans and Advances to Employees	- 100.77	- 80.93
<b>Total</b>	<b>100.77</b>	<b>80.93</b>

12.1 Time period of Loans to employee's is not defined / available, however, the management believes that these will be realised within next 12 months, therefore the same has not been discounted in accordance with Ind AS 109 - "Financial Instruments".

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 13 Other Financial assets (Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
(i) Other Receivables (interest accrued on FDR)	4.87	0.91
<b>Total</b>	4.87	0.91

### 14 Current Tax Assets (Net)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Current Tax assets (net)	42.66	80.10
<b>Total</b>	42.66	80.10

### 15 Other current assets

Particulars	As at 31-Mar-2022	As at 31-Mar-2020
<b>Considered good, unless otherwise stated</b>		
Prepaid Expenses	48.18	63.81
MAT Credit Entitlement	88.73	327.14
<b>Balance with Government Authorities</b>		
(i) Balance with Central Excise & GST Dept (Net)	0.00	224.90
<b>Others</b>		
(i) Advance to Suppliers & Others	179.39	178.68
(ii) Advance to Gratuity Fund		
(iii) Other Receivables	0.22	1.83
<b>Total</b>	316.52	796.36

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

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

16 SHARE CAPITAL	(Rupees in Lacs)	
	As at 31-Mar-2022	As at 31-Mar-2021
<b>Equity Share Capital :</b>		
<u>Authorised Share Capital:</u>		
50,00,000 Equity Shares of Rs.10/- each (5000000)	500.00	500.00
	<u>500.00</u>	<u>500.00</u>
<u>Issued, Subscribed and Paid up Capital:</u>		
30,00,085 Equity Shares of Rs.10/- each (30,00,085) fully paid up	300.01	300.01
	<u>300.01</u>	<u>300.01</u>
<b>TOTAL</b>	<u><u>300.01</u></u>	<u><u>300.01</u></u>

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

Name of the Shareholder	As at 31-Mar-2022		As at 31-Mar-2021	
	No. of Shares	% held	No. of Shares	% held
Late Sh. Shyam Sunder Khemka	5,26,260	17.54	5,26,260	17.54
Smt. Chandra Kala Khemka	3,90,200	13.01	3,90,200	13.01
Sh. Rajeev Khemka	2,46,325	8.21	2,46,325	8.21
Sh. Sanjeev Khemka	2,64,875	8.83	2,64,875	8.83
Sh. Ashish Khemka	3,31,350	11.04	3,31,350	11.04
M/s Khemka Leasing Private Limited	4,84,500	16.15	4,84,500	16.15
M/s Khemka Packaging Private Limited	2,00,000	6.67	2,00,000	6.67

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

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
	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	3000085	3000085

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 16.3 Shares held by promoters at the end of the year 31st March' 2022

Promoter Name	No. of Shares as on 31.03.2022	% of total Shares	No. of Shares as on 31.03.2021	% of total Shares	% Change during the Financial Year
Ashish Khemka	3,31,350	11.04	3,31,350	11.04	0.00%
Chandra Kala Khemka	3,90,200	13.01	3,90,200	13.01	0.00%
Rajeev Khemka	2,10,325	7.01	2,10,325	7.01	0.00%
Sanjeev Khemka	2,64,875	8.83	2,64,875	8.83	0.00%
Shyam Sunder Khemka	3,52,460	11.75	3,52,460	11.75	0.00%
Vandana Khemka	75,000	2.50	75,000	2.50	0.00%
Vandana Rajeev Khemka	500	0.02	500	0.02	0.00%
Vandna Khemka	77,600	2.59	77,600	2.59	0.00%
Rajeev Khemka HUF	36000	1.20	36000	1.20	0.00%
Shyam Sunder Khemka HUF	73800	2.46	73800	2.46	0.00%
<b>Total</b>	<b>18,12,110</b>		<b>18,12,110</b>		

### 16.4 Shares held by promoters at the end of the year 31st March' 2021

Promoter Name	No. of Shares as on 31.03.2021	% of total Shares	No. of Shares as on 31.03.2020	% of total Shares	% Change during the Financial Year
Ashish Khemka	3,31,350	11.04	3,31,350	11.04	0.00%
Chandra Kala Khemka	3,90,200	13.01	3,90,200	13.01	0.00%
Rajeev Khemka	2,10,325	7.01	2,10,325	7.01	0.00%
Sanjeev Khemka	2,64,875	8.83	2,64,875	8.83	0.00%
Shyam Sunder Khemka	3,52,460	11.75	3,52,460	11.75	0.00%
Vandana Khemka	75,000	2.50	75,000	2.50	0.00%
Vandana Rajeev Khemka	500	0.02	500	0.02	0.00%
Vandna Khemka	77,600	2.59	77,600	2.59	0.00%
Rajeev Khemka HUF	36000	1.20	36000	1.20	0.00%
Shyam Sunder Khemka HUF	73800	2.46	73800	2.46	0.00%
<b>Total</b>	<b>18,12,110</b>		<b>18,12,110</b>		

### 16.5 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.

**16.6** 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 preceeding the balance sheet date.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 17 Other Equity

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>(a) Capital Reserve</b>		
Opening Balance	107.14	107.14
Add: Additions during the year	0.00	0.00
Less: Utilised / transferred during the year	0.00	0.00
Closing Balance	107.14	107.14
<b>(b) Securities Premium Account</b>		
Opening Balance	249.01	249.01
Add: Additions during the year	0.00	0.00
Less: Utilised / transferred during the year	0.00	0.00
Closing Balance	249.01	249.01
<b>(c) General Reserve</b>		
Opening Balance	7103.24	7103.24
Add: Transferred from Surplus in Profit and Loss Statement	0.00	0.00
Less: Utilisation	0.00	0.00
Closing Balance	7103.24	7103.24
<b>(d) Surplus in Profit and Loss Statement</b>		
Opening Balance	2004.75	1665.68
Add: Profit for the year	998.29	339.08
Less Amount transferred to General Reserve		
Closing Balance	3003.05	2004.75
<b>(e) Other comprehensive income</b>		
Opening Balance	-41.38	-2.08
Add: Additions /deductions	9.16	-39.30
Closing Balance	-32.22	-41.38
<b>Total</b>	<b>10430.22</b>	<b>9422.77</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

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 18 Borrowings (Non-current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Secured</b>		
<b>Term Loans</b>		
From Banks		
--- Term Loan -HSBC Bank	456.86	728.16
--- Term Loan -HDFC	621.61	1185.58
	<b>1078.47</b>	<b>1913.75</b>
<b>Vehicle Loans</b>	85.65	174.14
<b>Unsecured Loans</b>		
From Directors	833.76	840.32
<b>Total</b>	<b>1997.87</b>	<b>2928.21</b>

18.1 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, Pargana Palasi, Nalagarh, solan Himachal Pradesh, 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.

18.2 Terms of repayment of term loans & vehicles loans are disclosed in note no.54

18.3 Vehicle loans are secured by way of hypothecation of vehicles financed by the banks

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

### 19 Lease Liabilities (Non-Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Lease Liabilities (Refer Note no. 56)	48.64	0.00
<b>Total</b>	<b>48.64</b>	<b>0.00</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

20 Provisions (Non-Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Provision for Employee Benefits (Refer note no. 47)</b>		
-Gratuity (funded)	65.24	51.32
-Leave Encashment (un-funded)	36.04	37.51
<b>Total</b>	<b>101.28</b>	<b>88.83</b>

21 Deferred Tax Liabilities (Net)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Deferred Tax Liabilities</b>		
Fixed Assets	202.54	249.97
<b>Total Deferred Tax Liabilities (A)</b>	<b>202.54</b>	<b>249.97</b>
<b>Deferred Tax Assets</b>		
Provision for Retirement Benefits	31.65	26.82
Fixed Assets		
Others	20.44	16.15
<b>Total Deferred Tax Assets (B)</b>	<b>52.10</b>	<b>42.97</b>
<b>Deferred Tax Liabilities (Net) (A-B)</b>	<b>150.45</b>	<b>207.00</b>

22 Other Non-Current Liabilities

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Creditors for Capital Goods	5.11	13.23
<b>Total</b>	<b>5.11</b>	<b>13.23</b>



# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 23 Borrowings (Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Secured</b>		
<b>Working Capital Loan from Bank *</b>	798.74	822.19
<b>Current Maturities of Long Term Debts</b>		
<b>From Banks:</b>		
--- Term Loan -HSBC bank	268.05	472.16
--- Term Loan HDFC Bank	565.16	642.34
<b>Total</b>	833.21	1114.50
<b>Vehicle Loans</b>	108.15	145.75
<b>Total</b>	<b>1740.10</b>	<b>2082.44</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, Pargana Palasi, Nalagarh, solan Himachal Pradesh, 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.

### 24 Lease liabilities (current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Lease Liabilities (Refer Note no. 56)	21.56	25.16
<b>Total</b>	<b>21.56</b>	<b>25.16</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 25 Trade Payables (Current)

(Rupees in Lacs)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Micro and Small Enterprises *	0.00	0.00
Others	6923.81	5775.58
<b>Total</b>	<b>6923.81</b>	<b>5775.58</b>

25.1 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-Mar-2022	As at 31.03.2021
1 Principal amount due	0.00	0.00
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

25.2 Agewise disclosure as required are attached in note no.44

### 26 Other financial liabilities (Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
<b>Other Payables</b>		
Liabilities for Expenses & Others	265.71	275.26
	<b>265.71</b>	<b>275.26</b>
<b>Total</b>	<b>265.71</b>	<b>275.26</b>

### 27 Other Current Liabilities

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Advances from Customers & others	24.74	28.58
Statutory Dues (TDS Payable)	33.46	27.65
Statutory Dues (GST Payable) Net	106.81	0.00
<b>Total</b>	<b>165.01</b>	<b>56.23</b>

### 28 Provisions (Current)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Provision for Employee Benefits (Refer note no. 47)		
-Gratuity (funded)	0.00	0.00
-Leave Encashment (un-funded)	7.41	7.58
<b>Total</b>	<b>7.41</b>	<b>7.58</b>

### Current Tax Liabilities (Net)

Particulars	As at 31-Mar-2022	As at 31-Mar-2021
Current Tax Liabilities (net)	0.00	0.00
	<b>0.00</b>	<b>0.00</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 30 Revenue from Operations

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<b>Sale of Products</b>	<b>47499.84</b>	32843.97
Less -Internal Consumption	<b>1557.52</b>	1184.10
	<b>45942.31</b>	<b>31659.87</b>
<b>Other Operating revenue</b>		
Duty Draw back	<b>0.00</b>	1.04
<b>Total</b>	<b>45942.31</b>	<b>31659.87</b>
<b>Sale of Products comprises of</b>	<b>Year ended 31-Mar-2022</b>	<b>Year ended 31-Mar-2021</b>
Corrugated Boards & Boxes	36876.94	24222.32
Duplex Board Cartons	6179.84	5199.42
Food Products	1413.91	1037.26
Milk /Dairy Products	1222.65	1384.33
Scrap	1806.50	1000.64
<b>Total - Sale of Products</b>	<b>47499.84</b>	32843.97

### 31 Other Income

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Dividend received	<b>0.01</b>	0.00
Interest Received	<b>16.60</b>	10.72
Sundry Balances Written back	<b>2.75</b>	46.07
Rent Received	<b>7.20</b>	3.60
Foreign exchange fluctuation	<b>0.00</b>	0.55
Profit on Sale of Property, Plant and Equipment	<b>0.78</b>	4.21
Misc receipts	<b>0.01</b>	0.65
<b>Total</b>	<b>27.36</b>	65.79

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 32 Cost of Raw Materials Consumed

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Opening Stock	1881.10	1578.88
Add: Purchases	29699.33	20054.48
	31580.43	21633.36
less Internal Consumption	1542.78	1011.82
	30037.65	20621.54
Less: Closing Stock	2691.33	1881.10
<b>Cost of Material Consumed</b>	<b>27346.32</b>	<b>18740.44</b>
<b>Material Consumed comprises:</b>		
1. Kraft Paper	21666.50	14602.15
2. Duplex Board	4097.06	2903.46
3. Corrugated Board & Sheet	1650.51	1060.69
4. Lamination Film	34.48	38.72
5. Flour Wheat & Maize	245.97	186.79
6. Oils & Fats	29.75	25.11
7. Chemicals, Flavours, Sugar & Salts	40.22	27.27
8. Skimmed Milk Powder	0.03	0.00
9. Packaging Materials(used in packing of food products)	130.25	126.27
10. Dextros Monohydrate	0.00	0.00
11.Raw Milk	327.51	369.61
12.Others	488.07	360.80
13. Soyabean	97.11	51.41
14.Food product	53.10	0.00
15.Food Ingredients	28.56	0.00
	28889.11	19752.26
Less Internal Consumption	1542.78	1011.82
	27346.32	18740.44

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 33 Changes in Inventories

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<u>Inventories at the end of the year</u>		
Finished Goods	401.81	328.42
Work-In-Progress	124.33	335.66
Scrap	0.15	1.83
	526.29	665.91
<u>Inventories at the beginning of the year</u>		
Finished Goods	328.42	286.03
Work-In-Progress	335.66	143.57
Scrap	1.83	1.62
	665.91	431.22
<b>Net (Increase) / Decrease</b>	<b>139.61</b>	<b>-234.68</b>

### 34 Employee Benefits Expenses

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Salaries & Wages	2632.28	2304.52
Bonus & Exgrtia	31.63	31.83
Leave with wages	0.71	18.33
Contributions to Provident Fund (Refer note no.47)	67.32	50.17
Contributions to Employee State Insurance Fund	16.32	16.27
Gratuity	25.05	22.30
Staff Welfare Expenses	125.13	81.86
<b>Total</b>	<b>2898.45</b>	<b>2525.27</b>

### 35 Finance Costs

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Interest Expense on:		
(i) Term Loans from Banks	206.40	254.90
(ii) Others Borrowing Costs	213.45	156.12
(iii) Interest on lease Liabilities	1.24	3.40
<b>Total</b>	<b>421.09</b>	<b>414.42</b>

### 36 Depreciation and Amortisation Expenses

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
Depreciation on Property, Plant and Equipment	1397.40	1554.48
Amortisation of Right to Use	23.06	23.06
Depreciation of investment properties	6.66	7.36
Amortisation on Intangible Assets	0.00	2.55
<b>Total</b>	<b>1427.12</b>	<b>1587.46</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

37 Other Expenses

(Rupees in Lacs)

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<b>Manufacturing Expenses</b>		
Consumption of Stores and Spare Parts	910.04	658.93
Consumption of Block Printing & Design	502.24	428.15
Power and Fuel	1152.39	999.66
Factory Rent including Lease Rentals	5.13	5.13
House Keeping Expenses	25.00	15.34
Carriage Inward Expenses	15.50	10.78
Expiry of Raw Material/Packing Materials	0.00	30.86
Repairs to - Machinery	563.06	292.80
Repairs to - Others	325.57	161.92
<b>Sub Total</b>	<b>3498.92</b>	<b>2603.57</b>
<b>Administration Expenses</b>		
Rent	26.75	24.06
Insurance	91.87	92.53
Rates and Taxes	42.56	17.52
Travelling Expenses	92.97	56.80
Conveyance Expenses	67.78	55.02
Printing & Stationery	14.52	12.90
Postage, Telegram & Telephone	24.39	22.66
Legal and Professional	39.60	17.68
Retainership Charges	100.43	49.19
Security Service Charges	65.48	63.26
Membership & Subscription	5.06	5.06
Car Maintenance & Vehical Upkeep	63.23	43.01
Electricity & Water Charges	24.48	19.55
General Expenses	28.45	23.20
Employees Recruitment & Training Expenses	24.57	83.61
Charity & Donation	13.32	25.23
ISO Certification Charges	9.74	10.09
Sundry Balances Written off	41.53	0.30
Software charges	2.81	5.62
Bad Debts Written off	29.63	45.41
Provision for bad debts	21.71	0.00
Prior Period Expenses	3.43	1.67
Listing Fees	0.64	0.64
Expenses towards CSR Activities (refer note no.37.1)	14.69	13.69
Penalties	0.31	0.00
Loss on Sale of Property, Plant and Equipment	0.00	0.00
Loss on theft of Property, Plant and Equipment	0.00	0.47
Interest on late fee-GST	1.41	0.09
Interest on late tds	0.00	0.00
Foreign exchange fluctuation	2.66	0.00
Bank Charges	9.02	7.22
<b>Sub Total</b>	<b>863.05</b>	<b>696.49</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

<b>Selling Expenses</b>		
Consumption of Packing Materials (Net)	<b>333.40</b>	107.03
Freight Outward (Net)	<b>1079.90</b>	907.32
Sales Promotion Expenses	<b>128.77</b>	66.00
Discount Allowed	<b>21.78</b>	14.59
Advertisement & Publicity	<b>0.47</b>	0.21
Sales Tax Paid	<b>9.91</b>	15.62
Damages & Claims	<b>123.50</b>	83.04
Commission on Sales	<b>5.40</b>	2.68
Product & Sample Distribution Exp	<b>10.78</b>	3.09
<b>Sub Total</b>	<b>1713.91</b>	1199.57
<b>Payments to the Auditors</b>		
As Auditors - Statutory Audit	<b>4.00</b>	3.00
For Tax Audit	<b>1.00</b>	0.60
For Internal Audit	<b>3.00</b>	1.20
<b>Sub Total</b>	<b>8.00</b>	4.80
<b>Total</b>	<b>6083.89</b>	4504.43

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 37.1- Details of CSR (Corporate Social Responsibility) expenditure.

The nature of CSR activities undertaken by the company includes promoting education, health care and environmental sustainability. The details of CSR expenditure is given below

Particulars			Year ended 31-Mar-2022 (Rupees in Lacs)
A.Gross amount required to be spent by the company		Current Year Previous Year	10.33 10.70
B. Amount spent during the year	In Cash	Yet to be spent in cash	Total
i) Construction/acquisition of any asset	--	--	--
Total of Previous year	(--)	(--)	(--)
ii) On purposes other than (i) above	14.69	--	14.69
Total of Previous year	13.69	(--)	13.69

There is no shortfall at the end of March 31,2022 and March 31, 2021 in terms of amount required to be spent by the company. The above includes contribution made to Khemka Charitable Trust amounting to Rs. 14.69 lacs (March 31, 2021: Rs. 13.69 lacs).



# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

(Rupees in Lacs)

### Note 38 Earning Per Share

	Year ended 31-Mar-2022	Year ended 31-Mar-2021
<b>Earnings Per Share</b>		
i) Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders (in Rs. lacs)	<b>1007.46</b>	299.77
ii) Weighted Average Number of Equity Shares used as denominator for calculating EPS	<b>30,00,085</b>	30,00,085
iii) Basic and Diluted Earnings per Share (in Rs.)	<b>33.58</b>	9.99
iv) Face Value per Equity Share (in Rs.)	<b>10</b>	10

### Note 39

<b>Contingent Liabilities and Commitments (to the extent not provided for)</b>		
	As at 31-Mar-2022	As at 31-Mar-2021
<b>Contingent Liabilities</b>		
Claims against the Company not acknowledged as debt		
1) Surety Bond for availing duty under EPCG Scheme	<b>69.94</b>	69.94
2) Bank Guarantees	<b>0.00</b>	0.00
3) Letter of Credits	<b>109.45</b>	140.53
	<b>179.40</b>	210.47
<b>Commitments</b>		
- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	<b>1162.64</b>	201.95
- Export Obligation against Import under EPCG Licence	<b>4817.15</b>	4817.15
	<b>5979.78</b>	5019.10

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

Note -40

(Rupees in Lacs)

1	<b>Details of Consumption of Imported and Indigenous Items</b>			
		<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
		<b>Percentage</b>	<b>Value</b>	<b>Percentage</b>
	Raw Materials			<b>Value</b>
	a) Imported	2.34	640.03	3.79
	b) Indigenous	97.66	26706.29	96.13
		100.00	27346.32	99.92
	Stores and spares			
	a) Imported	0	0.00	0
	b) Indigenous	100	910.04	100
		100	910.04	100
2	<b>Value of Imports calculated on CIF basis</b>	<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
	Raw Materials	604.57	635.32	
	Components- Spare Parts (Repair)	159.70	50.10	
	Capital Goods	257.71	404.28	
3	<b>Earnings in Foreign Exchange</b>	<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
	Export of Goods calculated on FOB basis	0.00	84.55	
4	<b>Expenditure in Foreign Currency</b>	<b>Year Ended on 31.03.2022</b>	<b>Year Ended on 31.03.2021</b>	
	Travelling Expenses & other matters	24.73	68.46	

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# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note-41

- 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, and amount paid to party was debited in Capital Work In Progress up to 31.03.2021. Till date the possession of the property has not been received. However 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 still sub-judiced with the courts and now the amount paid to the seller has been transferred to other non current assets.
  - b) The Company had made payment against allotment of Industrial Plot No. 254-255, Industrial Estate Sector, Roz ka Meo, Faridabad, measuring area of 8100 sq. mtr and received possession certificate of such land on dated 20.10.2015 which was shown as Capital work in progress up to 31.03.2021. However, the company has debited cost of such land in its property, plant & equipment but the conveyance deed is not executed in the name of company due to non-completion of the project in time.
  - c) In the earlier years, the Company had made payment against allotment of industrial Plot No. 212 -215, Industrial Estate food park Saha, Ambala, Haryana, measuring area of 4050 sq. mtr and received possession certificate of such land on dated 10.10.2006 and therefore, the company has debited cost of such land in its property, plant & equipment. However, the conveyance deed of such land, in the name of the company has not been made since the company has not paid installment of enhanced cost amounting to Rs.8.07 Lacs for such land.
- 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, Varadaiahpalem Mandal, Racheria Panchayat of Mopurupali Village, Chittoor District, Andhra Pradesh and this unit is eligible for tax benefits up to Assessment Year 2020-21 as specified in Section 32AD of the Income Tax Act, 1961.
- 3 The company had received certain concerns with respect to matters of corporate governance and other procedural aspects of financial accounting of the company from one of Director of the company Sh Sanjeev Khemka. The Management and other directors are continuously trying to resolve these concerns. Further, we believe that there would be no impact of the same on these consolidated financial statments.
- 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.
- 5 COVID-19 has caused disruptions to businesses across India. The management has considered subsiquent events,internal and external information in finalising various financial estimates as at the date of approval of these financial results and have not identified any material impact on the carrying value of assets,liabilities or provisions. The management will continue to closely monitor any changes to future economic conditions and assess its impact on the operations.
- 6 Sales Tax assessment of units of the company situated in different states have been completed up to Financial Year 2016-17 and assesement for the next financial years are in process.

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# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

- 7 The Income Tax Assessment 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.
- 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 recovery suit in Lower / District court, against three debtors (previous year-two debtors) involving amount of RS.22.66 Lacs (previous year Rs.15.57 Lacs) for recovery & the matter is pending for disposal.

The Company has filed Writ Petition in the month of March, 2021 against Greater Noida Industrial Development Authority in respect of its lease hold property situated at 11B, Udyog Vihar, Greater Noida, against outstanding dues of Rs.3.57 Crores demanded by the authority for outstanding lease rent payments, interest & other charges leived thereon, before Hon'ble Allahabad High Court, which is pending for disposal as on date.

- 9 During the year, the Company has not entered into any long-term contracts including derivative contracts.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 42. Derivatives:-

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

Buy or Sell	As on 31.03.2022		As on 31.03.2021		Foreign Currency
	Amount (Rupees in Lacs)	Amount in Foreign Currency	Amount (Rupees in Lacs)	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 31.03.2022		As on 31.03.2021		Foreign Currency
	Amount (Rupees in Lacs)	Amount in Foreign Currency	Amount (Rupees in Lacs)	Amount in Foreign Currency	
<b>a) Advance given for capital goods &amp; others</b>	<b>153.89</b>	<b>1,86,049.10</b>	<b>47.41</b>	<b>64,168.30</b>	
	30.57	40,278.80	47.41	64,168.30	USD
	2.97	3,610.30	0.00	0.00	CHF
	120.35	1,42,160.00	0.00	0.00	EURO
<b>b)Advances received from customer</b>	<b>24.74</b>	<b>30,262.20</b>	<b>21.13</b>	<b>30262.20</b>	<b>USD</b>
<b>c) Payables:-</b>	<b>58.88</b>	<b>5,45,955.35</b>	<b>210.73</b>	<b>7,52,904.80</b>	
	8.56	11,297.35	160.42	2,18,246.80	USD
	50.31	5,34,658.00	50.31	5,34,658.00	RMB

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note 43

#### Trade recievable ageing as on 31.03.2022

(Rupees in Lacs)

	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	6805.20	84.32	20.11	24.05	12.41	6946.10
(ii) Undisputed Trade Receivables – considered doubtful	1.48	10.90	0.64	28.53	5.66	47.20
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>6806.68</b>	<b>95.22</b>	<b>20.75</b>	<b>52.58</b>	<b>18.07</b>	<b>6993.31</b>

#### Trade recievable ageing as on 31.03.2021

	Outstanding for following periods from due date of payment					
Particulars	Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	5375.32	63.77	42.82	22.76	7.34	5512.01
(ii) Undisputed Trade Receivables – considered doubtful	1.35	11.04	40.12	13.38	14.89	80.79
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>5376.67</b>	<b>74.81</b>	<b>82.94</b>	<b>36.14</b>	<b>22.23</b>	<b>5592.80</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note-44

(Rupees in Lacs)

#### Trade Payables ageing schedule- as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	0.00	0.00	0.00	0.00	0.00
(ii)Others	6698.65	18.77	24.94	181.45	6923.81
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>6698.65</b>	<b>18.77</b>	<b>24.94</b>	<b>181.45</b>	<b>6923.81</b>

#### Trade Payables ageing schedule- as on 31.03.2021

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	0.00	0.00	0.00	0.00	0.00
(ii)Others	5500.51	47.76	87.79	139.53	5775.58
(iii) Disputed dues – MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues – Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>5500.51</b>	<b>47.76</b>	<b>87.79</b>	<b>139.53</b>	<b>5775.58</b>

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note 45

Related Party Disclosures: The information regarding Related Parties has been determined on the basis of criteria in Ind-AS-24 "Related Party Disclosures" and to the extent such parties have been identified by the company, on the basis of information available with them. This has been relied upon by the auditors.

As per Ind-As 24, the disclosures of transactions with the related parties are given below:

a) Name of Related Parties and description of relation :

#### ( i ) Key Management Personnel and Relatives

(Only Relatives of Key Management Personnel with whom the Company had transaction during the year are listed below)

<b>Lt Sh. Shyam Sunder Khemka</b> (Ex Chairman cum Managing Director)	<b>Sh. Rajeev Khemka</b> (Whole Time Director)	<b>Sh. Sanjeev Khemka</b> (Whole Time Director)	<b>Sh. Ashish Khemka</b> (Whole Time Director)
<b>Smt. Chandra Kala Khemka</b> (Director)	<b>Sh. Deeptanshu Khemka</b> (Whole Time Director)	<b>Smt. Vandana Khemka</b> (Wife of Sh. Rajeev Khemka)	<b>Smt. Vandana Khemka</b> (Wife of Sh. Sanjeev Khemka)
<b>Smt. Ashima Khemka</b> (Wife of Sh. Ashish Khemka)	<b>Ms. Mahima Khemka</b> (Daughter of Sh. Sanjeev Khemka, Director)	<b>Mr. Vardaan Khemka</b> (Son of Sh. Rajeev Khemka, Director)	<b>Mr. Sarthak Khemka</b> (Son of Sh. Sanjeev Khemka, Director)
<b>Smt. Sonika Khemka</b> (Wife of Sh. Deeptanshu Khemka)	<b>Mr. Vrinda Khemka</b> (Daughter of Sh. Rajeev Khemka, Director)		

(ii) Entities where significant influence is exercised by Key Management Personnel and/or their relatives having transactions with the Company :

<b>Ginni Packaging (P) Limited</b>	<b>KCL Milk Products India Private Limited</b>
<b>Khemka Packaging (P) Limited</b>	<b>Khemka Charitable Trust</b>
<b>Khemka Leasing (P) Limited</b>	

Particulars	Key Management Personnel and their Relatives		Othe Parties which significantly influence / are influenced by the Company (either individually or with others)			
	31/03/2022 Amount (Rupees in Lacs)	31/03/2021 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	31/03/2021 Amount (Rupees in Lacs)		
<b>a) Rent Paid</b>						
sh. Ashish Khemka	1.80	1.80				
Smt.Chandrakala Khemka	26.40	26.40				
Smt. Vandana Khemka w/o Sh.Rajeev Khemka	1.80	1.80				
Smt. Vandana Khemka w/o Sh Sanjeev Khemka	1.80	1.80				
	31.80	31.80				
<b>b) Remuneration Paid(including perquisites)</b>			---	---		
Sh.Rajeev Khemka	46.22	43.62				
Sh Sanjeev Khemka	42.40	42.32				
Sh. Ashish Khemka	41.95	42.12				
Sh.Deeptanshu Khemka	27.55	24.12				
Smt. Vandana Khemka w/o Sh.Rajeev Khemka	18.12	18.12				
Smt. Vandana Khemka w/o Sh Sanjeev Khemka	18.12	18.12				
Smt.Ashima Khemka	18.12	18.12				
Sh. Vardaan Khemka	38.95	24.12				
Ms. Vrinda Khemka	18.12	6.12				
Ms Mahima Khemka	24.05	16.54				
Sh Sarthak Khemka	9.04	7.08				
Smt Sonika Khemka	0.00	20.06				
	302.64	280.46				
<b>c) Consultancy Chagres</b>			---	---		
Smt Sonika Khemka	26.40	0.00				



	Key Management Personnel and their Relatives		Othe Parties which significantly influence / are influenced by the Company (either individually or with others)	
	31/03/2022 Amount (Rupees in Lacs)	31/03/2021 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	31/03/2021 Amount (Rupees in Lacs)
<b>d) Interest on unsecured loans</b>				
Smt.Chandrakala Khemka	30.00	16.36		
Sh. Ashish Khemka	1.66	1.08		
Sh.Rajeev Khemka	0.46	0.24		
Sh.Deeptanshu Khemka	0.92	0.45		
	33.03	18.13		
<b>e) CSR Expenditures</b>				
Khemka Charitable Tyrust	14.69	13.69		
<b>f) Unsecured loans Taken from directors</b>				
<b>Payables at the begning</b>				
Smt.Chandrakala Khemka	749.88	822.79		
Sh. Ashish Khemka	55.09	54.09		
Sh.Rajeev Khemka	12.38	12.16		
Sh.Deeptanshu Khemka	22.96	22.54		
	840.32	911.58		
<b>Loans Accept during the year</b>				
Smt.Chandrakala Khemka	NIL	29.00		
<b>Loans repayment during the year</b>				
Smt.Chandrakala Khemka	17.29	117.03		
Sh. Ashish Khemka	18.00	0.00		
Sh.Rajeev Khemka	1.00	0.00		
Sh.Deeptanshu Khemka	0.00	0.00		
	36.29	117.03		
<b>Unsecured loans Taken from directors</b>				
<b>Payables at year end</b>				
Smt.Chandrakala Khemka	759.59	749.88		
Sh. Ashish Khemka	38.59	55.09		
Sh.Rajeev Khemka	11.80	12.38		
Sh.Deeptanshu Khemka	23.78	22.96		
	833.76	840.32		
<b>g) Inter-Corporate Deposit, Outstanding at beginning</b>				
KCL Milk Products India Pvt Ltd			980.52	967.87
Khemka Leasing Pvt Ltd			11.89	11.77
Khemka Packaging pvt ltd			1.98	1.87
Ginni Packaging Pvt Ltd			6.98	6.88
Khemka Charitable Trust			13.74	13.74
			1015.11	1002.15
<b>Payments to Inter Corporates during the Year</b>				
KCL Milk Products India Pvt Ltd			9.44	12.65
Khemka Leasing Pvt Ltd			0.44	0.11
Khemka Packaging pvt ltd			0.50	0.11
Ginni Packaging Pvt Ltd			0.45	0.10
Khemka Charitable Trust			0.00	0.00
			10.82	12.97
<b>Inter-Corporate Deposit, Outstanding at Close of year</b>				
KCL Milk Products India Pvt Ltd			989.96	980.52
Khemka Leasing Pvt Ltd			12.32	11.89
Khemka Packaging pvt ltd			2.48	1.98
Ginni Packaging Pvt Ltd			7.43	6.98
Khemka Charitable Trust			13.74	13.74
- Receivables			1025.94	1015.11

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### Note 46

(Rupees in Lacs)

#### Segment Information

The Company has identified the following two Primary Business Segments during the year ended 31st March, 2021

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
<b>Revenue</b>						
Gross	For the Year ended	31-Mar-22	<b>44860.25</b>	<b>2639.59</b>		<b>47499.84</b>
		31-Mar-21	30422.22	2422.80		32845.01
Inter Segment Turnover	For the Year ended	31-Mar-22	<b>1504.42</b>	<b>53.10</b>		<b>1557.52</b>
		31-Mar-21	1147.50	36.60		1184.10
External Turnover	For the Year ended	31-Mar-22	<b>43355.83</b>	<b>2586.49</b>		<b>45942.31</b>
		31-Mar-21	29274.72	2386.20		31660.91
Less: Sales Tax	For the Year ended	31-Mar-22	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>
		31-Mar-21				
Less: GST RECOVERED	For the Year ended	31-Mar-22	<b>5888.29</b>	<b>318.46</b>		6206.75
		31-Mar-21	3395.78	282.62		3678.40
Net Turnover	For the Year ended	31-Mar-22	<b>37467.54</b>	<b>2268.03</b>		<b>39735.56</b>
		31-Mar-21	25878.94	2103.57		27982.52

#### Result

Segment Result						
Profit Before Tax & Interest	For the Year ended	31-Mar-22	<b>1817.97</b>	<b>57.47</b>	<b>-13.44</b>	<b>1862.01</b>
		31-Mar-21	605.94	280.26	2.42	888.63
Operating Profit	For the Year ended	31-Mar-22				<b>1862.01</b>
		31-Mar-21				888.63
Interest Expenses	For the Year ended	31-Mar-22				<b>421.09</b>
		31-Mar-21				414.42
Other Income	For the Year ended	31-Mar-22				<b>27.36</b>
		31-Mar-21				65.79
Income Tax	For the Year ended	31-Mar-22				<b>442.63</b>
		31-Mar-21				135.13
Profit From ordinary activities	For the Year ended	31-Mar-22				<b>998.29</b>
		31-Mar-21				339.08
Add/Less: OCI	For the Year ended	31-Mar-22				<b>9.16</b>
		31-Mar-21				-39.30
Net Profit after Tax	For the Year ended	31-Mar-22				<b>1007.46</b>
		31-Mar-21				299.77

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Other Information

(Rupees in Lacs)

#### Segment Assets

Property, Plant and Equipment	For the Year ended	31-Mar-22	<b>7955.35</b>	<b>795.58</b>	<b>404.23</b>	<b>9155.16</b>
		31-Mar-21	9102.23	1011.81	239.94	9357.66
Intangible assets	For the Year ended	31-Mar-22	<b>0.00</b>			<b>0.00</b>
		31-Mar-21				0.00
Capital Work In Progress		31-Mar-22	<b>3.31</b>	<b>0.00</b>	<b>0.00</b>	<b>3.31</b>
		31-Mar-21	146.67	16.40	252.11	415.18
Right of Use Asset	For the Year ended	31-Mar-22		<b>0.00</b>	<b>70.21</b>	<b>70.21</b>
		31-Mar-21			23.06	23.06
Investment Property	For the Year ended	31-Mar-22		<b>0.00</b>	<b>168.77</b>	<b>168.77</b>
		31-Mar-21			156.19	156.19
<b>Financial Assets</b>						
Investments	For the Year ended	31-Mar-22			54.17	<b>54.17</b>
		31-Mar-21			53.93	53.93
Other Financial Assets	For the Year ended	31-Mar-22	<b>7.24</b>	<b>0.00</b>	<b>0.00</b>	<b>7.24</b>
		31-Mar-21				0.00
OtherNon Current Assets	For the Year ended	31-Mar-22	<b>389.33</b>	<b>16.07</b>	<b>1070.20</b>	<b>1475.60</b>
		31-Mar-21	209.75	47.97	1053.07	1310.79
Current Assets, Loans and Advances	For the Year ended	31-Mar-22	<b>10222.08</b>	<b>846.58</b>	<b>154.07</b>	<b>11222.73</b>
		31-Mar-21	8749.62	729.97	385.89	9865.48
Total Segment Assets	For the Year ended	31-Mar-22	<b>18577.31</b>	<b>1658.23</b>	<b>1921.65</b>	<b>22157.19</b>
		31-Mar-21	18208.28	1806.15	2164.19	21182.29
Total Assets	For the Year ended	31-Mar-22				<b>22157.19</b>
		31-Mar-21				21182.29

#### Segment Liabilities

Non Current Liabilities	For the Year ended	31-Mar-22	<b>1407.53</b>	<b>179.15</b>	<b>716.67</b>	<b>2303.35</b>
		31-Mar-21	2320.36	173.15	743.76	3237.27
Current Liabilities & Provisions	For the Year ended	31-Mar-22	<b>8960.38</b>	<b>129.40</b>	<b>33.82</b>	<b>9123.60</b>
		31-Mar-21	8068.18	118.33	35.75	8222.25
Total Segment Liabilities	As at	31-Mar-22	<b>10367.91</b>	<b>308.55</b>	<b>750.49</b>	<b>11426.95</b>
		31-Mar-21	10388.54	291.48	779.50	11459.51
Total Liabilities	As at	31-Mar-22				<b>11426.95</b>
		31-Mar-21				11459.51

<b>Capital Employed</b>	As at	31-Mar-22	<b>8209.40</b>	<b>1349.68</b>	<b>1171.15</b>	<b>10730.23</b>
		31-Mar-21	7819.74	1514.67	1384.69	9722.78
Capital Expenditure	As at	31-Mar-22				<b>902.74</b>
		31-Mar-21				943.59
Depreciation	For the Year ended	31-Mar-22	<b>1232.42</b>	<b>152.26</b>	<b>42.44</b>	<b>1427.12</b>
		31-Mar-21	1349.63	167.51	70.32	1587.46
Non - Cash Expenses other than Depreciation	For the Year ended	31-Mar-22				<b>0.25</b>
		31-Mar-21				-

46.1 Sales to two customers of the company is Rs 110 Crores (previous year Rs.92 Crores) which is more than 10% of the company's total turnover.

46.2 Revenue as per geographical area

With in India **39735.56**  
Outside India **Nil**

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note-47

#### Employee Benefits

##### a) Defined Contribution Plans

The Company has recognised ₹67.32 lacs (PY ₹ 50.17 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 2022).

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

Particulars	Leave encashment (Unfunded)		Gratuity (Funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Discount Rate (based on the market yields available on Government bonds at the accounting date with term that matches that of the liabilities)	6.80%	6.79%	7.22%	6.79%
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

(Rupees in Lacs)

Particulars	Leave encashment (Unfunded)		Gratuity (Funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present value of the obligation at the end of the year	43.45	45.09	179.71	174.76

Net Asset / (Liability) recognized in the Balance Sheet as on 31st March 2022

(Rupees in Lacs)

Particulars	Leave encashment (Unfunded)		Gratuity (Funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Present Value of Defined Benefit Obligation at the end of the year	43.45	45.09	179.71	174.76
Fair Value of Plan Assets	0.00	0.00	114.47	123.44
Net Asset / (Liability) recognized in the Balance Sheet	-43.45	-45.09	-65.24	-51.32

Bifurcation of Obligation at the end 31st March 2022

(Rupees in Lacs)

Particulars	Leave encashment (Unfunded)		Gratuity (Funded)	
	As at		As at	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Current Liability (Short Term)	7.41	7.58	22.78	27.79
Non Current Liability (Long Term)	36.04	37.51	156.93	146.98
Total	43.45	45.09	179.71	174.76

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 48. 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. Comparision 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 cagatories as of 31st March, 2022 were as follows :

(Rupees in Lacs)

S. No.	Particulars	Carrying Value/Fair Value	
		As At 31.03.2022	As At 31.03.2021
	<b>Assets :</b>		
i	Investments	54.17	53.93
ii	Cash and cash equivalents	226.01	527.46
iii	Bank balances other than (ii) above	105.66	70.81
iv	Trade receivables	6971.60	5592.80
v	Loans	100.77	80.93
vi	Other financial assets	7.24	0.00
	<b>Total</b>	<b>7465.44</b>	<b>6325.93</b>
i	<b>Liabilities :</b>		
ii	Non Current Borrowings	1997.87	2928.21
iii	Lease Liabilities -Non Current	48.64	0.00
iv	Current Borrowings	1740.10	2082.44
v	Lease Liabilities -Current	21.56	25.16
vi	Trade Payables	6923.81	5775.58
vii	Other financial liabilities	265.71	275.26
	<b>Total</b>	<b>10997.70</b>	<b>11086.64</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

## Consolidated Notes on Financial Statements for the year ended 31st March, 2022

### 49 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:

(Rupees in Lacs)				
Particulars	Carrying Amount	Payable within 1 year	Payable after 1 year	Total
<b>As at 31<sup>st</sup> March 2022</b>				
Borrowings	3737.97	1740.10	1997.87	<b>3737.97</b>
Trade Payables	6923.81	6923.81	-	<b>6923.81</b>
Other Financial Liabilities	265.71	265.71	-	<b>265.71</b>
<b>As at 31<sup>st</sup> March 2021</b>				
Borrowings	5010.65	2082.44	2928.21	<b>5010.65</b>
Trade Payables	5775.58	5775.58	-	<b>5775.58</b>
Other Financial Liabilities	275.26	275.26	-	<b>275.26</b>

#### 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. 1025.93 lacs (31st March, 2021: Rs.1015.11 lacs) .

The Company's maximum exposure to credit risk as at 31st March, 2022, 31st March, 2021 is the carrying value of each class of financial assets.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 50 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value and is to safeguard the Company's ability to continue as a going concern.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net Debt is calculated as loans and borrowings less cash & marketable securities.

Particulars	31st March 2022	31st March 2021
Borrowings (note 18 and 23)	3737.97	5010.65
Less: cash and cash equivalents (note 10)	226.01	527.46
<b>Net Debt (A)</b>	<b>3511.96</b>	<b>4483.18</b>
Total Equity (note 16 and 17)	10730.23	9722.78
<b>Capital and net debt (B)</b>		
<b>Gearing ratio (A/B) %</b>	<b>32.73%</b>	<b>46.11%</b>

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022 and March 31, 2021.

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note-51

Financial Ratios and explanation for changes in the cases where change in the ratio by more than 25% as compared to the preceding year.

Ratio	U/M	Numerator	Denominator	Current Period	Previous Period	% Change	Reason for variance
Current Ratio	Times	Current Assets	Current Liabilities	1.23	1.20	2.52	--
Debt equity ratio	Times	Total Debts <sup>(1)</sup>	Shareholder's Equity	0.35	0.52	-32.42	Debt repaid by the company
Debt Service Coverage Ratio	Times	Earning for Debt Service <sup>(2)</sup>	Debt service <sup>(3)</sup>	1.70	2.82	-39.65	Decrease was primarily on account of decrease in profits and increase in the borrowings
Return on Equity Ratio	%	Net Profits after taxes	Average Shareholder's Equity	9.76%	3.54%	175.60	Increase in net profits during the year
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	12.88	11.40	12.96	--
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables	7.31	6.13	19.21	--
Trade payables turnover ratio	Times	Net credit purchases = RM purchases + Other expenses	Average Trade Payables	5.64	4.63	21.73	--
Net capital turnover ratio (working capital turnover ratio)	%	Revenue from operations	Average Working Capital <sup>(4)</sup>	21.24%	16.35%	29.84	Primarily due to increase in turnover and profitability during the year
Net profit ratio	%	Net profit after tax.	Revenue from operations	2.51%	1.21%	107.33	Increase in net profits during the year
Return on Capital employed	%	Earning before interest, taxes and exceptional items	Capital Employed (5) = Tangible Net Worth + Total Debt + Deferred Tax Liability	13.00%	6.12%	112.59	Increase in net profits during the year
Return on investment	%	Interest Income from Bank Deposits	Bank Deposits	2.5% to 5.5%	2% to 5.5%	--	

(1) Long-Term borrowings + Short-Term borrowings + Inter corporate loans + interest accrued

(2) Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

(3) Interest & Lease Payments + Principal Repayments

(4) Working Capital = current assets minus current liabilities

(5) Tangible Net Worth + Total Debt + Deferred Tax Liability - deferred tax assets



# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 52. Other statutory information

i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

ii) The company does not have any transaction with such entities whose name has been struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.

iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

iv) The company does not have any immovable property whose title deeds are not held in the name of the company except refer note no. 41(1).

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

vi) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

ix) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

xi) The company has not revalued any of its Property, Plant and Equipment.

xii). The company has granted Loans or Advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other person, that are

(a) Repayable on demand or

(b) Without specifying any terms or period of repayment

Type of Borrower		Amount of loan or advance in the nature of loan outstanding (Rupees in Lacs)	Percentage to the total Loans and Advances in the nature of loans
Promoters		0.00	--
Directors		0.00	--
KMPs		0.00	--
Related Parties		1025.94	91.06%

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

Note-53

(Rupees in Lacs)

Reconciliation of Quarterly bank stock statement for working capital-FY 2021-22							
Lending banks - HDFC Bank Limited and The Hongkong and Shanghai Banking Corporation Limited							
	Particulars	As at March 31,2022		Amount of difference	As at March 31,2021		Amount of difference
		Financial Statements	Quarterly return		Financial Statements	Quarterly return	
Quarter 4	Inventory(excluding scrap)	3454.49	3213.97	240.52	2714.28	2780.19	-65.91
	Sundry Debtors	6971.60	6838.71	132.89	5592.80	5360.52	232.28
	Sundry Creditors	6923.81	6720.68	203.13	5775.58	5537.88	237.70
	Net Current Assets	3502.28	3332.00	170.28	2531.50	2602.84	-71.34
Quarter 3	Inventory(excluding scrap)	2544.55	2435.42	109.13	2224.97	2206.34	18.63
	Sundry Debtors	6969.56	6859.58	109.97	4744.28	4507.24	237.04
	Sundry Creditors	5751.02	5579.22	171.79	4722.91	4195.01	527.90
	Net Current Assets	3763.09	3715.79	47.31	2246.34	2518.57	-272.23
Quarter 2	Inventory(excluding scrap)	2487.81	2443.04	44.77	1820.46	1953.23	-132.77
	Sundry Debtors	6397.51	6264.61	132.89	5012.12	4702.85	309.27
	Sundry Creditors	5727.08	5581.78	145.31	4707.50	4183.96	523.54
	Net Current Assets	3158.23	3125.87	32.36	2125.08	2472.12	-347.04
Quarter 1	Inventory(excluding scrap)	2560.46	2845.27	-284.81	2204.27	2363.72	-159.45
	Sundry Debtors	5300.89	5073.63	227.26	4444.08	4146.83	297.25
	Sundry Creditors	4849.43	4630.76	218.67	4643.62	3985.05	658.56
	Net Current Assets	3011.92	3288.14	-276.21	2004.73	2525.50	-520.77
The stock statements are Prepared and filed before completion of financial statements closure activities including AS adjustments, reclassification, set off as applicable, which lead to these differences between final financial statements and the bank stock statment based on provisional books of accounts.							

## KCL LIMITED

### Consolidated Notes on Financial Statements for the year ended 31st March,2022

Note-54 Term of repayment of term loans & vehicle loans are as under:

(Rupees in Lacs)

Particulars	Weighted average Rate of interest (P.A.)	Installment	Outstanding as at 31.03.2022		Annual repayment schedule				
Term Loans				2022-23	2023-24	2024-25	2025-26	2026-27	
HDFC Bank	8.30	Monthly	1186.77	565.16	251.80	253.41	115.24	1.16	
HSBC Bank	8.20	Monthly	724.91	268.05	225.95	209.61	21.03	0.27	
<b>Sub-Total</b>			<b>1911.68</b>	<b>833.21</b>	<b>477.75</b>	<b>463.02</b>	<b>136.27</b>	<b>1.42</b>	
Vehicle Loan	8.50	Monthly	193.79	108.15	65.38	20.27	0.00	0.00	
<b>Sub-Total</b>			<b>2105.47</b>	<b>941.36</b>	<b>543.13</b>	<b>483.29</b>	<b>136.27</b>	<b>1.42</b>	
<i>Total</i>			<i>4017.15</i>	<i>1774.57</i>	<i>1020.88</i>	<i>946.32</i>	<i>272.53</i>	<i>2.85</i>	

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

(Rupees in Lacs)

<b>55. INVESTMENT PROPERTIES</b>	<b>As at 31-Mar-22</b>	<b>As at 31-Mar-21</b>
Gross balance at beginning	204.09	204.09
Additions during the year	19.25	
Disposals / Deductions		
Depreciation for the year	6.66	7.36
Accumulated Depreciation	47.90	40.54
Net balance at the end of reporting period	168.77	156.19
Fair Value	247.00	220.00
	<b>Year ended 31 March 2022</b>	<b>Year ended 31 March 2021</b>
Amount recognised in Statement of Profit & Loss for Investment Properties		
Rental Income	7.20	3.60

**The investment properties are leased to tenants under short term cancellation lease with rental payable on monthly basis.**

Note 1: The investment properties consist of residential properties in India and have been categorised as investment properties based on nature of its uses. There has been no change in the valuation method adopted.

Note 2: The fair value of Investment properties has been determined on the basis of available circle rates of the property of the concerned registration authority and has been categorised in level 3 fair value.

Note 3: The conveyance deed of this Investment properties valued at are yet to be executed in favor of the company (refer note no.41(1)(c).

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### 56 Ind AS 116

#### (a) Impact on transition to Ind AS 116 for the year ended 31 March 2020

On transition to Ind AS 116, the Company recognized right-of-use assets and lease liabilities, recognizing the difference in

Particulars	Amount (Rupees in Lacs)
Right of use assets	70.21
Lease liabilities	70.21

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

#### (b) Information about leases for which the Company is a lessee is presented below

##### Right-of-use assets

Right-of-use assets related to lease hold properties

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
a) Opening Balance	23.06	46.12
b) Addition	70.21	
c) Depreciation charge for the year	23.06	23.06
d) Closing Balance	70.21	23.06

The aggregate depreciation expense on ROU assets is included under depreciation and amortisation expense in the statement of profit and loss

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
a) Opening Balance	25.16	48.16
b) Addition	70.21	
c) Finance Cost accrued during the year	1.24	3.40
d) Payment of lease liabilities	26.40	26.40
e) Closing Balance	70.21	25.16

The following is the break-up of current and non-current lease liabilities as at March 31, 2022 and March 31, 2021

Particulars	March 31, 2022	March 31, 2021
Non-current lease liabilities	48.64	0.00
Current lease liabilities	21.56	25.16
Total	70.21	25.16

##### Lease liabilities

Maturity analysis – contractual discounted cash flows

Particulars	Carrying Amount	Contractual cash flows		
		0-1 Years	1-5 Years	5 Years and Above
Lease Liabilities	0.00	21.56	48.64	0.00

# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

### Note-57

Additional Information Pursuant to Schedule III of The Companies Act 2013:

Sr. no.	Name of the entity	Net Assets (Total Assets - Total Liabilities)		Share in Profit or Loss	
		As % of Consolidated Net Assets	Net Assets (Rs. in Lacs)	As % of Consolidated Profit/(Loss)	Profit/(Loss) (Rs. In Lacs)
1	<b>Parent</b> KCL Limited	99.91	10720.23	100.00	1007.46
2	<b>Subsidiary Companies</b> KCL Paper Mill Private Limited	0.09	10	0.00	0
3	<b>Non Controlling Interest</b>	0	0		0
<b>Total</b>		100	10730	100	1007

Note :

57.1 A wholly owned subsidiary company namely M/s KCL Paper Mill Private Limited, owned by M/s KCL LTD was incorporated on 21.04.2021, however, no business operations in the subsidiary company was started for the period ended on 31.03.2022.

57.2 The consolidated financial statements for the year ended 31.03.2021 represents standalone financial statements of the parent company as subsidiary company was not incorporated then.

### Note-58

#### Events after the reporting date

There are no reportable events that occurred after the end of the reporting period.

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# KCL LIMITED

## Consolidated Notes on Financial Statements for the year ended 31st March,2022

59. 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.

60. Note 1 to 59 are annexed to and form an integral part of the Balance Sheet as at 31st Mar 2022, 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:

**FORM AOC-1**

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

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

**Part "A": Subsidiaries**

Sl. No.	Particulars	
1	Name of the subsidiary	KCL Paper Mill Private Limited (CIN-U21010DL2021PTC380413)
2	Date since when subsidiary was acquired	21.04.2021
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
4	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
5	Share capital	Rs. 10 Lacs
6	Reserves and surplus	Nil
7	Total assets	Rs. 10.25 Lacs
8	Total Liabilities (Net)	Rs. 0.25 Lacs
9	Investments	NIL
10	Turnover	NIL
11	Profit before taxation	NIL
12	Provision for taxation	NIL
13	Profit after taxation	NIL
14	Proposed Dividend	NIL
15	Extent of shareholding	100.00%

**Notes:**

- Names of subsidiaries which are yet to commence operations: KCL Paper Mill Private Limited
- Names of subsidiaries which have been liquidated or sold during the year: NIL

**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:**



### 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 Ninth Annual General Meeting of the Company be held on Friday, the 30<sup>th</sup> day of September, 2022, at 01:00 P.M. at the Registered office of the company situated at E-292, Sarita Vihar, New Delhi - 110044.

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Member's/Proxy's name in Block Letters

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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 39th Annual General Meeting of the Company, to be held on Friday, 30th day of September 2022 at 01:00 p.m. at E-292, Sarita Vihar, New Delhi - 110044, and at any adjournment thereof in respect of such resolutions as are indicated below:

**ORDINARY BUSINESS:**

**Item 1: To receive, consider and adopt**

**a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** the audited standalone financial statements of the Company for the financial year ended 31st March 2022 and the reports of the Board of Directors and Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

**b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2022 together with the Report of the Auditors thereon and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:**

**“RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022 together with the Report of the Auditors thereon as circulated to the Members, be and are hereby considered and adopted.”

**Item 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 re-appointment and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Ashish Khemka, Whole time Director, who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**Item 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 re-appointment and in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Sanjeev Khemka, Whole time Director who retires by rotation at this meeting and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**Item 4.** To appoint M/s Deepanshu A Goel & Associates (Firm Registration No.: 038933N) as Statutory Auditors of the Company and in this regard, to Consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors of the Company, M/s Deepanshu A Goel & Associates, Chartered Accountants (Firm Registration No. 038933N), be

and is hereby appointed as Statutory Auditor of the Company for a period of five consecutive years, to hold office from the conclusion of this (39<sup>th</sup>) Annual General Meeting ('AGM') till the conclusion of the forty three (44<sup>th</sup>) AGM, at such remuneration, as mutually agreed between the Board of Directors of the Company and the Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient to give effect to this resolution."

**SPECIAL BUSINESS:**

**Item 5: To appoint Salil Narang (DIN: 00761530) as an Independent Director of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions of Companies Act, 2013, the rules made thereunder read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the recommendation of Nomination and Remuneration Committee, Mr. Salil Narang (DIN: 00761530), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from 22<sup>nd</sup> February, 2022, be and is hereby appointed as an Independent Director, for a term of 5 (five) consecutive years to hold office from the conclusion of this (39<sup>th</sup>) Annual General Meeting ('AGM') till the conclusion of the Thirty Ninth (44<sup>th</sup>) AGM, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

**Item 6: To appoint Mr. Amarjit Kochhar (DIN: 08645111) as an Independent Director of the Company and in this regard, to consider and, if thought fit, to pass with or without modification(s) the following resolution as Special Resolution**

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions of Companies Act, 2013, the rules made thereunder read with Schedule IV of the Act and Securities and Exchange Board of India (Listing Obligations Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force) and in accordance with the recommendation of Nomination and Remuneration Committee, Mr. Amarjit Kochhar (DIN: 08645111), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from 30<sup>th</sup> June 2021, be and is hereby appointed as an Independent Director, for a

term of 5 (five) consecutive years to hold office from the conclusion of this (39th) Annual General Meeting ('AGM') till the conclusion of the forty fourth (44th) AGM, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to take such steps and do all such acts, deeds, matters and things as may be considered necessary, proper and expedient to give effect to this Resolution."

Signed this ..... day of ..... 2022

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp
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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.