KCL LIMITED

ANNUAL REPORT

2022-23

Khemka

CORPORATE INFORMATION

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CORPORATE INFORMATION

KEY MANAGERIAL PERSONNEL

Mr. Rajeev Khemka, Executive Director
Mr. Ashish Khemka, Executive Director
Mr. Deeptanshu Khemka, Executive Director
Mrs. Chandrakala Khemka, Women Director

STATUTORY AUDITOR
M/s Jagdish Chand & 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, 3rd 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

Registered Office
E-292, Sarita Vihar
New Delhi-110044

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

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

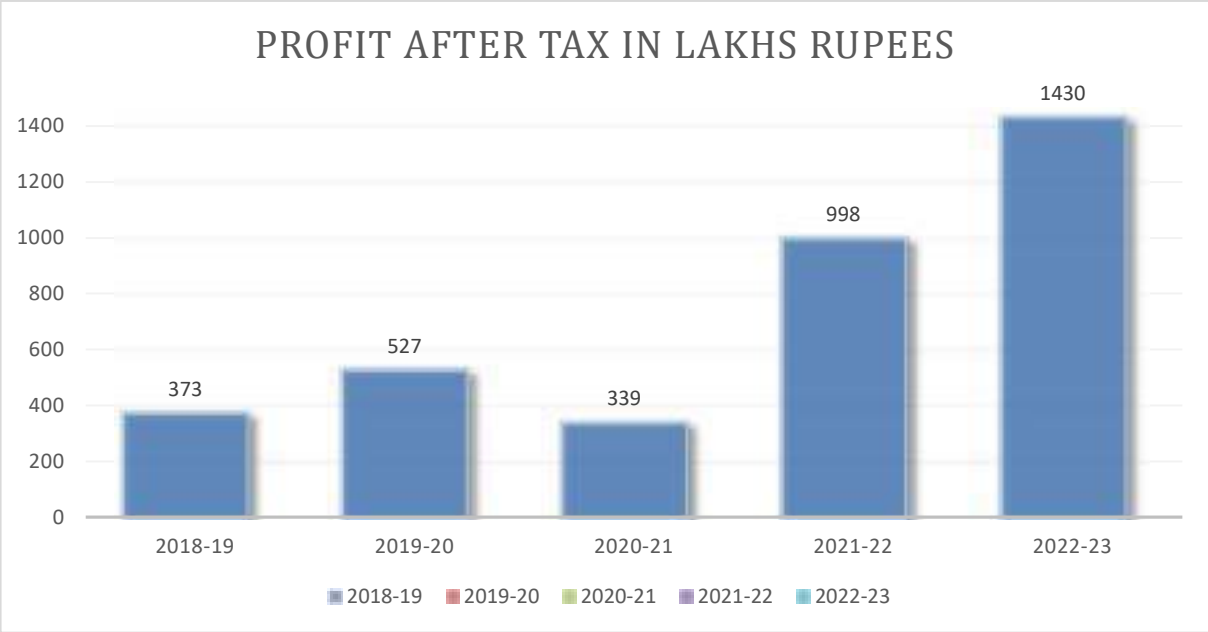
Baddi Division-II
Village Bir Pilasi, Tehsil
Nalagarh, Distt. Solan (H.P)

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

Baddi Division
Sai Road, Baddi (H.P)

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

FINANCIAL PERFORMANCE



NOTICE CONVENING 40TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 40THAnnual General Meeting of the members of M/s KCL Limited will be held on **Saturday, 30th September 2023 at 11:00 AM (IST)** at the Registered Office of the company Situated at E-292, Sarita Vihar, New Delhi - 110044to 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, 2023 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 2023 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, 2023together 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 2023together 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. Rajeev Khemka (holding DIN No 00103260), 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. Rajeev 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. Deeptanshu Khemka (holding DIN No 07484360), 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. Deeptanshu 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."

SPECIAL BUSINESS:

Item 4. Appointment of Statutory Auditor to fill casual vacancy

To appoint statutory auditor of the company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Subject to the provisions of Section 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 Jagdish Chand & Co., Chartered Accountants (Firm Registration No. 000129N), be and are hereby appointed as Statutory Auditor of the Company, to fill the casual vacancy caused by the resignation of M/s Deepanshu Goel & Associates, Chartered Accountant.

RESOLVED FURTHER THATM/s Jagdish Chand & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from July 14th 2023, until the conclusion of the 40th Annual General Meeting of the company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

Item 5. Appointment of Statutory Auditor

To appoint statutory auditor of the company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** Subject to the provisions of Section pursuant to section 139, 142 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, M/s Jagdish Chand & Co., Chartered Accountants (Firm Registration No. 000129N), be and are hereby appointed as Statutory Auditor of the Company, to hold the office from the conclusion of 40th Annual General Meeting, for a single term of 5 (five) years at such remuneration plus applicable taxes and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the company.

RESOLVED FURTHER THAT Mr. Rajeev Khemka, Executive Director cum CFO and Mr. Ashish Khemka, Executive Director be and are hereby severally authorized to do all such acts, deeds and things to give effect to this resolution."

Item No: 6

To Approve Continuation of directorship of Mrs. Chander Kala Khemka (DIN: 00103355) as a Non-Executive Non-Independent Director Beyond the Age of 75 Yearsin terms of Regulation

17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") approval of the members of the company be and is hereby accorded to the continuation of directorship of Mrs. Chander Kala Khemka (DIN: 00103260) as Non-executive Non- Independent Director of the Company beyond the age of 75 years.

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

Item No: 7 To appoint Mr. Amrish Aggarwal (DIN: 07631515) as an Independent Director of the Company
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 the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and in accordance with the recommendation of Nomination and Remuneration Committee, Mr. Amrish Aggarwal (DIN: 07631515), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from 04th September,2023, 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 (40th) Annual General Meeting ('AGM') till the conclusion of the forty fifth (45th) 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 No: 8 Appointment of Mrs. Vandana Khemka, W/o Mr. Rajeev Khemka (DIN 02479295) as a Woman Director and Non-Executive Non-Independent Director

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

RESOLVED that pursuant to the provisions of Section 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the

time being in force), Mrs. Vandana Khemka (DIN: 02479295), who was appointed as an Additional Director (in the category of woman Director and Non-Executive and Non-Independent) w.e.f. September 04, 2023 and who holds office as such upto the date of this ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature as a Director, be and is hereby appointed as a Woman Director in the category of (Non-Executive and Non Independent) Director of the Company to hold office for a period of five consecutive years up to 03rd September, 2028, not liable to retire by rotation.

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 or expedient to give effect to this Resolution.

Item 9: Increase in the remuneration payable to Mr. Vardaan Khemka being related party, holding office or place of Profit in the Company and in this regard to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to Mr. Vardaan Khemka, Related party, to hold an office or place of profit in the Company and increase in his remuneration to the maximum of ₹ 60 Lacs p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 2 lakhs Per Month) for a period of three year effective from April 01, 2023, to March 31, 2026, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company and in accordance with the provisions of the Act as may be agreed to between the Board of Directors and Mr. Vardaan Khemka.

RESOLVED FURTHER THAT the Board of Directors and / or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubts that may arise and to do all such acts, deeds and things as may be necessary, usual, proper or expedient in this regard."

Item 10: Increase in the remuneration payable to Mr. Sanjeev Khemka being related party, holding office or place of Profit in the Company and in this regard to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to Mr. Sanjeev Khemka, Related party, to hold an office or place of profit in the Company and increase in his remuneration to the maximum of ₹ 84 Lacs p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 3.25 lakhs Per Month) for a period of three year effective from October 01, 2023, to September 30, 2026, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in

accordance with the rules of the Company and in accordance with the provisions of the Act as may be agreed to between the Board of Directors and Mr. Sanjeev Khemka.

RESOLVED FURTHER THAT the Board of Directors and / or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubts that may arise and to do all such acts, deeds and things as may be necessary, usual, proper or expedient in this regard."

Item 11: To Approve the revised payment of Remuneration to Mr. Rajeev Khemka, (DIN: 00103260), Executive Director 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 October 1, 2023 for a period of three years up to 30th September 2026 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 12: To Approve the revised payment of Remuneration to Mr. Ashish Khemka, (DIN: 00103321), Executive Director 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 October 1, 2023 for a period of three years upto 30th September 2026 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 13: To Approve the revised payment of Remuneration to Mr. Deeptanshu Khemka, (DIN: 07484360), Executive Director 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 October 1, 2023 for a period of three years upto 30th September 2026 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

Registered Office
E-292, Sarita Vihar, New Delhi
110044, India, Ph:011-26955419
CIN:L74899DL1983PLC068008
Email: cs@kcl.co.in
Web: www.kcl.co.in

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

Amit Aggarwal
Company Secretary and Compliance officer
Membership No: A28783

Date:
Place:

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, 6, 7 and 8 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 40TH AGM of the Company is being held through physically mode on Saturday, 30th September 2023, at 11:00 A.M. (IST).

3. The deemed venue for 40th AGM shall be at 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.

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.inThe Notice can also be accessed from the websites of the Stock Exchange i.e. MSEI Limited atwww.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

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 dematerialized 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. SEBI has mandated the updation of PAN, contact, Bank account, specimen signature and nomination details, against folio / demat account. PAN is also required to be updated for participating in the securities market, deletion of name of deceased holder and transmission / transposition of shares. As per applicable SEBI Circular, PAN details are to be compulsorily linked to Aadhar details by the date specified by Central Board of Direct Taxes. Members are requested to submit PAN, or intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, specimen signature (as applicable) etc., to their Depository Participant ("DP") in case of holding in dematerialized form or to Company's Registrar and Share Transfer Agents through Form ISR-1, Form ISR-2 and Form ISR-3 (as applicable) in case of holdings in physical form.

12. As per the provisions of the Act and applicable SEBI Circular, Members holding shares in physical form may file nomination in the prescribed Form SH- 13 with Registrar and Share Transfer Agents or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of shares held in dematerialized form, the nomination form may be filed with the respective DP.

13. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz. Issue of duplicate securities certificate; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Further SEBI vide its circularNo. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/65 dated May 18, 2022 has simplified the procedure and standardized the format of documents for transmission of securities. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 & ISR-5, as the case may be.

14. SEBI has mandated that securities of listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, Members are advised to dematerialize shares held by them in physical form, for ease in portfolio management.

15. 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.

16. 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.

17. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company's Registrar and Share Transfer Agents, the details of such folios together with the share certificates along with the requisite KYC documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form

18. 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.

19. The Board of Directors of the Company has appointed Mr. Vivek Rawal, 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.

20. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 23rd September 2023 to Saturday 30th September 2023 (both day inclusive).

21. 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.

22. 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.inand 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.

23. the Route Map of the AGM is annexed in this Notice.

24. INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:

The remote e-voting period begins on Wednesday, 27th September, 2023 at 09:00 A.M. and ends on Friday, 29th September, 2023 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. 23rd September 2023, 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 23rd September2023.

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 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:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' 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 "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL 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 https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 2. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be

	redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. 3. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

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.

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 evoting@nsdl.co.inor call at 022 - 4886 7000 and 022 - 2499 7000
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 helpdesk.evoting@cdslindia.comor contact at toll free no. 1800 22 55 33

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:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) 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.

   c) How to retrieve your 'initial password'?

      (i) 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'.

(ii) 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:
   a) 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.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at 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 on NSDL e-Voting system.

How to cast your vote electronically 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 is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.

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 service@vvanda.comwith a copy marked to 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 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 or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Snehal Bhame, Assistant Manager at 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

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. If you are an Individual shareholder 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 for Individual shareholders holding securities in demat mode.

3. Alternatively, shareholder/members may send a request to 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.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT,2013

ITEM NO.4:

The members of the company at its 39th AGM held on dated 30th September 2022 had appointed M/s Deepanshu A Goel & Associates, Chartered Accountant Firm Registration No. 038933N as the statutory auditor of the company to hold office from the conclusion of 39th AGM till the conclusion of 44th AGM of the company.

M/s Deepanshu A Goel & Associates, Chartered Accountant vide their letter dated 12.07.2023 have resigned from the position of Statutory auditor of the company, resulting into casual vacancy in the office of statutory auditor as envisaged by section 139(8) of the Companies Act 2013.

The Board of Directors at its meeting held on 15th July 2023, as per the recommendation of the Audit committee and pursuant to the provisions of the Section 139(8) of the Companies Act 2013 has appointed M/s Jagdish Chand & Co, Chartered Accountant,(firm Registration no 000129N) to hold office as the statutory auditor of the company till the conclusion of 40th AGM and to fill the casual vacancy caused by the resignation of M/s Deepanshu A Goel & Associates subject to the approval by the members at the 40th Annual General Meeting of the company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the audit committee in consultation with Auditors and duly approved by the Board of Directors of the company.

The company has received consent letter and eligibility certificate from M/s Jagdish Chand & Co. Chartered Accountant to act as statutory auditor of the company in place of M/s Deepanshu A Goel & Associates along with a confirmation that, their appointment, if made, would be within the limits prescribed under the companies act 2013

None of the Directors, KMP and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No. of the accompanying notice of the approval of the members

ITEM NO.5:

The Board of Directors at its meeting held on 15th July 2023 and as per the recommendation of the Audit committee and pursuant to the provisions of the Section 139 and other applicable provisions, if any, of the companies act 2013 read with the Companies (Audit and Auditors) Rules 2014 and other applicable provisions if any, recommended the appointment of M/s Jagdish Chand & Co. as the statutory auditor of the company to hold office for a period of five years, till the conclusion of the 45th Annual General Meeting to be held in the year 2028 at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and

recommended by the audit committee in consultation with Auditors and duly approved by the Board of Directors of the company.

The company has received consent letter and eligibility certificate from M/s Jagdish Chand & Co. Chartered Accountant, to act as statutory auditor of the company in place of M/s Deepanshu A Goel & Associates along with a confirmation that, their appointment, if made, would be within the limits prescribed under the companies act 2013

The Company has further 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 Jagdish Chand & Co. Chartered Accountant, has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

None of the Directors, KMP and their relatives are in any way, concerned or interested, financially or otherwise, in the aforesaid Ordinary Resolution.

The Board accordingly recommends the Ordinary Resolution set out at Item No.5 of the accompanying notice of the approval of the members

ITEM NO.6:

In terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from 1st April 2019, no listed entity shall appoint or continue the directorship of any person as a non-executive director, who has attained the age of 75 years, unless a special resolution is passed to that effect. Smt. Chandra Kala Khemka (DIN: 00103255), has attained the age of 75 years in March 2022. In terms of provisions of the Companies Act, 2013, Smt. Chandra Kala Khemka is liable to retire by rotation and being eligible, offers herself for re-appointment. The Board of Directors considered and approved the continuation of Smt. Chandra Kala Khemka as a Non-executive Director Non-Independent Director of the Company, liable to retire by rotation.

No Director except Smt. Chandra Kala Khemka herself and Key Managerial Personnel of the Company and their relatives are concerned or interested in the proposed Special Resolution.

ITEM NO.7:

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company have appointed Mr. Amrish Aggarwal as an Additional Director in the capacity of Non-Executive Independent Director of the Company to hold office for a period from September 04th, 2023, to September 03rd, 2028, not liable to retire by rotation, subject to consent of the Members of the Company at the ensuing AGM.

As an Additional Director, Amrish Aggarwal holds office till the date of the AGM and is eligible for being appointed as an Independent Director. The Company has received necessary

declaration(s) from Amrish Aggarwal confirming that he meets the criteria as prescribed under the Companies Act, 2013 (the Act) and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (Listing Regulations).

Mrs. Amrish Aggarwal is not disqualified from being appointed as a Director under provisions of Section 164 of the Companies Act, 2013, nor debarred from holding the office of director by virtue of any SEBI order or any other such authority and has given his consent to act as a Director of the Company.

Profile:

EDUCATION QUALIFICATION

Masters	University of Leicester, U K	Full Time (10th April 2007-15th September 2010)
Bachelors	University of Delhi, INDIA	Full Time (1st July 1994-20th April 1997)
Year 12	DAV Public School, INDIA	Full Time (3rd April 1992-25th March 1994)
Year 10	St. Joseph Convent School, INDIA	Full Time (1st April 1982-27th March 1992)

PROFESSIONAL QUALIFICATION

National Institute of Sales & Marketing, INDIA Full Time (7th July 1997- 27th August 1998)

PROJECT UNDERTAKEN (During MBA)
Relationship between buyer-seller in the metal scrap industry. Evaluating the methods and the implication these relationship in the metal scrap industry.

WORK EXPERIENCE

Name of Company : Unnati International FZC, UAE

Company Profile : Traders, Importers and Exporters Ferrous and Non-ferrous Recyclable Metal Scrap

Position : General Manager

Duration : 20th August' 2002 – till date

Working Hours : 40 hrs per week

Job Profile : Implement Strategies for Operations
Business Development
Formulate policies for introducing new products
Creating Brand Awareness
Exploring opportunities in manufacturing related products
Handling entire logistics for the company
Providing after sale service

Marketing & Sales

Name of Company : Shrimat Alloys Pvt Ltd, INDIA

Company Profile : Manufacturers of Non-ferrous Metal Alloys

Position : Director

Duration : 15th October' 2016 – till date

Working Hours : 40 hrs per week

Job Profile : Overseeing entire manufacturing process
Implement Strategies for Operations
Business Development
Formulate policies for introducing new products
Formulating and implementing polices for increasing sales
Handling of Human Resources
Creating Brand Awareness
Handling entire logistics for the company
Providing after sale service
Managing Finances

Name of Company : GE Capital, INDIA
Company Profile : Back-office operators joint venture with State Bank of India

Position : Associate Underwriter

Duration : 1st October' 2001 – 30th April' 2002

Working Hours : 40 hrs per week

Job Profile : Back-office work
Team works in multinational environment
Target based job
Understanding and analysing financial data

Name of Company : AERENS Group, INDIA
Company Profile : Development and running of two portals builda2z and ridhisidhi
Position : Manager
Duration : 5th October' 2000 – 30th September' 2001
Working Hours : 40 hrs per week
Job Profile : Back-office work
Team works in multinational environment
Target based job
Understanding and analysing financial data

Name of Company : ICICI Capital Services, INDIA
Company Profile : Financial Institution
Position : Marketing Representative
Duration : 10th November' 1999 – 20th September' 2000

Working Hours	: 40 hrs per week
Job Profile	: Selling of financial products After Sale Service Target based job

ITEM NO.8:

Pursuant to the provisions of Section 149(1) of the Companies Act, 2013, the Company is required to appoint Woman Director on the Board of the Company

In compliance with the above provisions, the Board of Directors, upon the recommendation of the Committee, had appointed Mrs. Vandana Khemka, W/o Mr. Rajeev Khemka (DIN - 02479295) as an Additional Director, in the category of Woman Director, Non-Executive and Non-Independent Director, w.e.f. September 04, 2023 pursuant to Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company. Pursuant to section 161 of the Companies Act, 2013, Mrs. Vandana Khemka, W/o Mr. Rajeev Khemka (DIN - 02479295) will hold office upto the date of the ensuing AGM.

The Company has received from Mrs. Vandana Khemka (DIN - 02479295) (i) consent in writing to act as director in Form DIR 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013, and (iii) a declaration to the effect that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mrs. Vandana Khemka, W/o Mr. Rajeev Khemka (DIN - 02479295) as a Woman Director cum Non-Executive and Non-Independent Director of the Company for the period of three years from September 04, 2023 to September 03rd, 2026 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. She is not liable to retire by rotation.

No Director, Key Managerial Personnel or their relatives, except Mrs. Vandana Khemka (DIN - 02479295), to whom the resolution relates, is interested or concerned, financially or otherwise in the resolution.

The Board recommends the resolution set forth in Item No. 8 of the accompanying Notice for approval of the members.

ITEM NO.9:

Mr. Vardaan Khemka, aged 25 years, is a Business Development and Senior Manager of the Company and has been associated with the Company since 2020. Mr. Vardaan Khemka is a related party within the definition of Section 2(76) of the Companies Act 2013 ("Act"), as he is relative of Director(s) of the Company. Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), appointment of any related party to any office or place of profit in the Company, its Subsidiary

Company or Associate Company at a monthly remuneration exceeding 250,000/- requires prior approval by way of ordinary resolution of the Company. In view of the aforementioned provisions of the Act and rules made thereunder and that monthly remuneration of Mr. Vardaan Khemka would be in excess of ₹ 2,50,000/- per month, approval of Members is sought for his appointment in and payment of remuneration to him by the Company as proposed in the resolution under this item of business.

Pursuant to recommendation of the Nomination and Remuneration Committee, Audit committee, provisions of Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Act") (including any statutory modification(s) or reenactments thereof for the time being in force) and in order to adequately compensate the Mr. Vardaan Khemka and taking into account the size and operations of the business of the Company, the board of directors of the company at its Meeting held on 04th September 2023, has approved for increase in remuneration payable to Mr. Vardaan Khemka upto₹ 60 Lakhs p.a. over and above last salary drawn salary (presently last salary drawn is ₹ 2,00,000 Per Month), including Perquisites including company's contribution to provident fund, bonus, leave travel concession and Commission if any, in accordance with the rules of the Company. The requisite disclosures required under the applicable provisions of the Companies Act, 2013 are as follows:

Name of the Related Party: Mr. Vardaan Khemka

Name of Directors or Key Managerial Personnel who is related: Mr. Rajeev Khemka, Director Cum CFO and Mr. Ashish Khemka, Director and Mr. Deeptanshu Khemka, Director.

Nature of Relationship: Mr. Vardaan Khemka is son of Mr. Rajeev Khemka, Director Cum CFO Nephew of Mr. Ashish Khemka, Director and younger brother of Mr. Deeptanshu Khemka, Director of the Company.

ITEM NO.10:

Mr. Sanjeev Khemka, Ex-Director of the company, aged 55 years, is a Unit Head of KCL Printing Division and KCL Foods (A unit of KCL Limited) of the Company and has been associated with the Company since 1991. Mr. Sanjeev Khemka is a related party within the definition of Section 2(76) of the Companies Act 2013 ("Act"), as he is relative of Director(s) of the Company. Pursuant to the provisions of Section 188 of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended), appointment of any related party to any office or place of profit in the Company, its Subsidiary Company or Associate Company at a monthly remuneration exceeding 250,000/- requires prior approval by way of ordinary resolution of the Company. In view of the aforementioned provisions of the Act and rules made thereunder and that monthly remuneration of Mr. Sanjeev Khemka would be in excess of ₹ 2,50,000/- per month, approval of Members is sought for his appointment in and payment of remuneration to him by the Company as proposed in the resolution under this item of business.

Pursuant to recommendation of the Nomination and Remuneration Committee, Audit committee, provisions of Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Act") (including any statutory modification(s) or reenactments thereof for the time being in force) and in order to adequately compensate the Mr. Sanjeev Khemka and taking into account the size and operations of the business of the Company, the board of directors of the company at its Meeting held on 04th September 2023, has approved for increase in remuneration payable to Mr. Sanjeev Khemka upto₹ 84 Lakhs p.a. over and above last salary drawn salary (presently last salary drawn is ₹ 3,25,000 Per Month), including Perquisites including company's contribution to provident fund, bonus, leave travel concession and Commission if any, in accordance with the rules of the Company.The requisite disclosures required under the applicable provisions of the Companies Act, 2013 are as follows:

Name of the Related Party: Mr. Sanjeev Khemka

Name of Directors or Key Managerial Personnel who is related: Mr. Rajeev Khemka, Director Cum CFO and Mr. Ashish Khemka, Director and Mr. Deeptanshu Khemka, Director.

Nature of Relationship: Mr. Sanjeev Khemka is a brother of Mr. Rajeev Khemka, Director Cum CFO and Mr. Ashish Khemka, Director of the Company.

Item No 11:

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 October 1, 2023 to 30th September 2026 of such appointment as set out herein below:

A. Period: For a period of 3 years commencing from 01st October 2023 to 30th September 2026.
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 familyas per actual.
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: 21st January, 1983.
iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to ₹ 43762.19Lacs as compared to ₹39762.92Lacs 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.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. 12:

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 October 1, 2023 to 30th September 2026 of such appointment as set out herein below:

A. Period: For a period of 3 years commencing from 01st October 2023 to 30th September 2026.
B. Salary: The gross Salary will be ₹ 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 familyas per actual.
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: 21st January, 1983.
iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to ₹43762.19Lacs as compared to ₹39762.92Lacs 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. 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. 13:

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 October 1, 2023 to 30th September 2026 of such appointment as set out herein below:

A. Period: For a period of 3 years commencing from 01st October 2023 to 30th September 2026.
B. Salary: The gross Salary will be ₹ 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 as per actual.
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: 21st January, 1983.

iii. Financial performance based on given indicators: The Company has grown rapidly in the recent years. Turnover increase to ₹43762.19 Lacs as compared to ₹39762.92Lacs 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. 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

Registered Office
E-292, Sarita Vihar, New Delhi 110044, India, Ph:011-26955419
CIN:L74899DL1983PLC068008
Email: cs@kcl.co.in
Web: www.kcl.co.in

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

Amit Aggarwal
Company Secretary and Compliance officer
Membership No: A28783

Date:
Place:

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 on General Meetings, SS-2] as laid down by the institute of Company Secretaries of India, additional information relating to the particulars of Director who is proposed to be re-appointed are given below

Agenda item no 2 & 3

Name	Mr. Rajeev Khemka	Mr. Deeptanshu Khemka
DIN	00103260	07484360
Date of Birth		
Date of first Appointment	30/09/1985	08/03/2016
Qualifications	B.com	B. tech from UK and MBA from Mumbai
Expertise in specific functional area	More than 38 Years of videexperience in Financial matters, Income Tax and Productions and Marketing	More than 06 years of experience in the Field of Packaging and Dairy Products
Directorship in other Companies *	Five Companies	Nil
Memberships / Chairmanship of Committees across all Public Companies *	Member in One Committee namely CSR	Nil
Relationship with other Directors / Key Managerial Personnel	Younger Brother of Mr. Ashish Khemka	Elder Son of Mr. Rajeev Khemka
No. of shares held in the Company either by self or on a beneficial basis for any other person	445825	12000

*Excludes Foreign Companies.

BOARD'S REPORT

Dear Members,

Your Directors' hereby present the 40th 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 31st March, 2023.

1. FINANCIAL HIGHLIGHTS:

(In Lacs)

Particulars	Financial Year 2022-23	Financial Year 2021-22
Revenue from Operations	43724.37	39735.56
Other Income	37.82	27.36
Total Revenue	**43762.19**	**39762.92**
Purchase of Stock-in-Trade	29511.41	27346.32
Change in Inventories of finished goods, stock-in trade and work in progress	104.16	139.61
Employee Benefit Expenses	2109.42	2898.45
Finance Cost	386.82	421.09
Depreciation and Amortization Expenses	1274.26	1427.12
Other Expenses	8298.43	6083.89
Total Expenses	**41684.51**	**38322.00**
Profit/ (loss) before tax	2077.68	1440.92
Tax Expenses	647.03	442.63
Profit for the year	**1430.65**	**998.29**
Other Comprehensive Income	6.02	9.16
Total Comprehensive Income	**1424.64**	**1007.46**

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 ₹43762.19Lacs as against ₹39762.92Lacs in the previous year, translating to a growth of 10.05 %YOY.

Further your company has earned PAT for FY 2023 at ₹ 1430.65 Lacs compared to ₹998.29 Lacs in FY 2022, translating to a growth of43.31%YOY.

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

Authorized Share Capital

As on March 31, 2023, the Authorized Share Capital of the Company was ₹ 5,00,00,000 divided into 50,000,00 Equity Shares of Rs. 10/- each

Paid Up Share Capital

As on March 31, 2023, the Paid-up Equity Share Capital of the Company was ₹ 3,00,00,85 Equity Shares of Rs.10/-each aggregating to ₹ 3,00,00,850.

Equity shares lying in the Suspense Account

In compliance with Para F of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company confirms that no shares of the Company are lying in the Suspense Account.

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

Mr. Rahul Jain 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*, his/her office has been automatically vacated as per the aforementioned provision. Hence Mr. Rahul Jain shall be vacated with immediate effect from the office of director from the company.

Mr. Sanjeev Khemka, Ex-Director of the company has not been reappointed by the members of the company in the Annual General Meeting of the company held on Friday, 30th September 2022 at the Registered office of the company. Members has casted total 1689375 votes against the resolution item no 3.

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

S. NO	Name of the Directors	Designation
1	Mr. Rajeev Khemka	Executive Director cum CFO
2	Mr. Ashish Khemka	Executive Director
3	Mr. Deeptanshu Khemka	Executive Director
4	*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

*Note: Mr. Sanjeev Jain, ID of the company has not attended any of the Board Meeting held during the financial year ended 31st March 2023. Therefore, as per the provisions of Section 167(1)(b) of the Companies Act 2013, the office of Mr. Sanjeev Jain has been vacated automatically.

**Note: Pl noted that as per Regulation 17(1A) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, prior approval of members by way of Special Resolution required to continue the directorship beyond the age of 75 years. Mrs. Chander Kala Khemka is a Promoter Director and continue as a Non-Executive cum Non-Independent Director of the company.

8. RESTRUCTURING OF OPERATIONS OF COMPANY FOR BETTER OPERATIONAL EFFICIENCY, EFFECTIVENESS AND BETTER CUSTOMER SATISFACTION

In pursuit of its strategic growth objectives, KCL is actively engaged in the process of assessing its current business structure and available land resources. This evaluation is aimed at ensuring that the company is well-prepared for the future. By scrutinizing its existing business framework and available land assets, KCL aims to optimize its operations and position itself for the next phase of growth. This proactive approach reflects the company's commitment to sustainability and long-term success, aligning its strategies with evolving market dynamics and opportunities

9. COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied the applicable provisions of Secretarial Standards i.e. SS-1 and SS-2, issued by Institute of Company Secretaries of India and approved by the Central Government under Section - 118 (10) of the Act during the year under Report.

10. 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 31st March, 2023, the applicable accounting standards had been followed and there are no material departures from the same;

(ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2023 and of the profit or loss of the Company for that period;

(iii) the directors have taken proper and sufficient care 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, have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11.STATUTORY AUDITOR & AUDITORS' REPORT

M/s Deepanshu A Goel & Associates, Chartered Accountant (FRN: 038933N), were appointed as the Statutory Auditors of the company in the Annual General Meeting of the Company held on 30th September, 2022 to hold office from the conclusion of 39thAnnual General Meeting till the conclusion of 44th AGM of the company. However, M/s Deepanshu A Goel & Associates, Chartered Accountant vide its letter dated 12th July, 2023 have resigned from the position of the Statutory Auditors of the Company citing the reasons that suffering from depression & anxiety and therefore tendering the resignation with immediate effect.

Based on the recommendations of the Audit Committee, the Board of Directors, at its meeting held on 15th July, 2023 noted and accepted the resignation of M/s Deepanshu A Goel & Associates, Chartered Accountant. The Board also placed on record its appreciation to outgoing Auditors for their contribution to the Company with their audit processes and standards of auditing.

In this regard, after obtaining their consent and eligibility certificate under Section 139(1) of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on July 15, 2023 appointed M/s Jagdish Chand & Co. Chartered Accountants (Firm Registration Number: 000129N) as the Statutory Auditors of the Company under Section 139(8) of the Companies Act, 2013, to fill the casual vacancy consequent to the resignation of M/s M/s Deepanshu A Goel & Associates, Chartered Accountant.

M/s Jagdish Chand & Co. Chartered Accountants is also holding a Peer Review Certificate No. 012757 dated February 02, 2021 issued by the Peer Review Board of the Institute of Chartered Accountants of India valid till 31.03.2024.

As required by Section 139(8) of the Companies Act, 2013, the appointment is also to be ratified and approved at a general meeting of the Company. Accordingly, the Board of Directors recommends the said appointment for the ratification and approval of shareholders at the ensuing AGM of the Company.

Further, the Board, on the recommendation of the Audit Committee and subject to the approval of the shareholders, approved appointment of M/s Jagdish Chand & Co. Chartered Accountants (Firm Registration Number: 000129N)as the Statutory Auditors of the Company for a period of 5 (five) years from the conclusion of the ensuing 40thAGM till the conclusion of the 45th AGM to be held in the year 2028 at such remuneration plus out of pocket expenses and applicable taxes, as may be mutually agreed between the Board of Directors of the

Company and the Auditors.

Appropriate resolution seeking Members approval for the appointment of M/s Jagdish Chand & Co. as the Statutory Auditors of the Company is appearing in the Notice convening the ensuing AGM of the Company.

The members are requested to note that the statutory Audit for FY 2022–23 was not conducted by M/s Deepanshu A Goel & Associates, Chartered Accountant and further M/s Jagdish Chand & Co, Chartered Accountant have conducted the statutory audit for the financial year 2022-23 only on the basis of recommendation of the audit committees and consent of Board of Directors, in the meeting held on 15th July 2023 subject to the approval of the members in the general meeting.

The Notes to the financial statements referred in the Auditors Report are self–explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' Report is enclosed with the financial statements in the Annual Report.

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.

S.No	Auditors Qualifications	Management Reply
1	*As stated in note 6.1 in the accompanying statement of standalone financial statements, the Company has given loan to a related party company, M/s KCL Milk Products India Pvt Ltd, amounting to Rs. 966.44 Lakhs. This related party has negative net worth as per last available audited financial statement. As described in the note, the management, on the basis of its internal assessment, has considered this loan as fully recoverable and in the opinion of management, no provision for diminution of value is required. In absence of sufficient audit evidence to support the management's aforesaid assessment, we are unable to comment upon the recoverability of such loan.*	***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.6.1 of the standalone financial results which is self-explanatory.***
2	*No adjustment of Revenue has been considered in some cases for Variable consideration of freight in terms of Ind AS 115 "Revenue from Contract with Customers") where sale price is inclusive of freight*	***Self-Explanatory***
3	*Excess Managerial Remuneration of Rs. 3.19 Lakhs has been paid without approval of members in the General Meeting of the Company*	***Management replied to our prestigious shareholders of the company that the salary of Board of Directors of the company has been increased in the year 2014 and till***

		date there is no enhancement/hike in the salary of Executive Directors. Here it is pertinent to mention that the directors have received the salary from the company as per Board resolution passed and approval of members of the company. However, due to inadvertently some medical expenses and others etc. have been reimbursed from the company through which the same has been crossed the threshold limit.
4	*The subsidiary company has not complied with the provisions of section 186 of the companies Act 2013 while extending loan to Holding Company of ₹ 9.50 Lakhs*	***The management incorporated a WOS for doing business and enhance the value of shareholders. However, due to some unavoidable circumstances the project was stopped and no business was carried out by the company from the last 2 years. Pl noted that the Board of Directors of the holding company has given consent for closure of the WOS.***

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 2022-2023. 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	Non-Submission of Audited	Company haven't filed the Audited	Due to resigning of the existing

	Disclosure Requirements) Regulations, 2015	Financial Results as on 31st March, 2023	Financial Results for the year ended 31st March, 2023.	Statutory Auditor, delay in submission of audited financial results for the year ended 31st March 2023
2.	Disclosures in pursuant of Regulation 31(4) of SEBI (SAST) Regulations, 2011.	Company has not filed with stock exchange annual disclosures with respect to shares encumbered by promoters or by persons acting in concert with him	Non-Submission of Annual Disclosures as per Regulation 31(4) of SEBI (SAST) Regulations, 2011.	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. 300.01 Lacs and Net worth is Rs.10730.23 Lacs. As per Regulation 15(2) the compliance with the corporate governance provisions as specified in regulations17, 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 regulation46 and para C , D and E of Schedule V shall not apply, in respect of - (a) 53[a] listed entity having paid up equity	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 regulations17, 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, company secretary has started compliances from quarter ended 31st Marc, 2023 onwards.	The company has already informed the MSEI in the last year April 2022, regarding the Non applicability of the provisions of Regulations15 of SEBI (LODR) Regulations 2015 along with the enclosures of necessary certificate received from M/s Pradeep Debnath & Co (Practicing Company Secretary). Later on, the company has complied the provisions of SEBI (LODR) as per request from MSEI.

		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.		
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 promoter's 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 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 company has replied in detailed about the Regulations 38 of SEBI (LODR) Regulations 2015 vide letter dated 03.04.2023

		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. 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 & promoters' group in KCL Limited also. Further, after including these 4 entities in promoters' group, the	the contravention of abovementioned provisions.	

		promoter's shareholding exceeds 75%.		

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.

12. LISTING OF SECURITIES

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

13.MEETINGS OF THE BOARD AND OTHER COMMITTEES:

Meetings of the Board

During the year, the Board of Directors met 9 (Nine) times during the financial year 2022-23 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 nine meetings during the period ended on 31st March, 2023 i.e., on (i) 08th April 2022, (ii) 07th May 2022, (iii) 30thMay 2022, (Adjourned 07th June 2022) (iv) 14thJune 2022, (v) 05thAugust, 2022, (vi) 27th August 2022, (vii) 08th September 2022, (viii) 14th November 2022, (viiii) 14th February 2023

Attendance at the meetings of the Board during the financial year ended 31st March 2023 was as follows:

Name of the Director	Category	No. of meetings held	No. of meetings attended
Mr. Rajeev Khemka	Executive Director cum CFO	9	9
Mr. Sanjeev Khemka	Executive Director	9	7
Mr. Ashish Khemka	Executive Director	9	9
Mr. Deeptanshu Khemka	Executive Director	9	9
Mrs. Chandra Kala Khemka	Woman Director cum Non-executive and non-independent Director	9	1
Mr. Sanjeev Jain	Independent Director	9	0
Mr. Amarjit Kochhar	Independent Director	9	5
Mr. Salil Narang	Independent Director	9	7

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.
- Corporate Social Responsibility Committee

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

14.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.

15.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 31st March 2023, the Board consisted of 7 members, three of whom was Executive Directors 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.

16.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 2022-23 and without the participation of the Non-independent Directors and Management, considered/evaluated the Boards' performance, Performance of the appointed Chairman of the meeting 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.

17. 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.

18. PUBLIC DEPOSITS

During the period, and as per the audited standalone and consolidated financial statements, the company has not received any public deposits.

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

There have been no material changes and commitments affecting the financial position of the Company between the end of the financial year and date of this report. There has been no change in the nature of business or any activity of business 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 31.03.2023.

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 (a) & (b) 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. 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);**NIL**

(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);**NIL**

(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.**NIL**

30. 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.

31.CORPORATE SOCIAL RESPONSIBILITY [CSR]:

In accordance with the provisions of section 135 of the Companies Act, 2013 and the rules made thereunder, your Company has constituted Corporate Social Responsibility Committee of Directors. The role of the Committee is to review CSR activities of the Company periodically and recommend to the Board amount of expenditure to be spent on CSR annually.

The detailed report on CSR activities carried out by the Company during FY 2022-23 is annexed to this report as **Annexure IV**.

S.No	Name of the Committee Member/Director	Designation
1	Mr. Rajeev Khemka, Director	Chairman
2	Mr. Sanjeev Khemka	Member
3	Mr. Salil Narang, Independent Director	Independent Director

During the year 2022-23, the Company had identified certain projects/activities on which the CSR expenditure for the financial year 2022-23 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

32.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.

33.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) and (10) of the Companies Act 2013 and Regulation 22 of the Listing Regulations, the company has formulated Whistle Blower Policy for vigil mechanism of 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 athttp://www.kcl.co.in

34.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	Mr. Ashish Khemka
Executive Director	Executive Director

Place: Faridabad
Date:

Annexure 'A' to the Board's Report

Annexure-A

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31/03/2023

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 31st March, 2023 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 31st March, 2023, 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	Non-Submission of Audited Financial Results as on 31st March, 2023	Company haven't filed the Audited Financial Results for the year ended 31st March, 2023.
2.	Disclosures in pursuant of Regulation 31(4) of SEBI (SAST) Regulations, 2011.	Company has not filed with stock exchange annual disclosures with respect to shares encumbered by promoters or by persons acting in concert with him	Non-Submission of Annual Disclosures as per Regulation 31(4) of SEBI (SAST) Regulations, 2011.

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. 300.01 Lacs and Net worth is Rs.10730.23 Lacs. As per Regulation 15(2) the compliance with the corporate governance provisions as specified in regulations17, 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 regulation46 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 regulations17, 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, company secretary has started compliances from quarter ended 31st Marc, 2023 onwards.
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 promoter's 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	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

		Limited Promoters. 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 & promoters' group in KCL Limited also. Further, after including these 4 entities in promoters' group, the promoter's shareholding exceeds 75%.	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.

(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, Company has wrongly filed E-form DPT-3 showing no advances from customers whereas there is an advance from customers in Financial Statements* ***(refer Note No. 27).***

2. *During the period under review, we have observed that Mr. Sanjeev Jain is 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.*

3. *Mr. Sanjeev Jain having DIN: 00011248 was appointed as an Additional Director in the company with effect from 10th September, 2019, he was regularized in FY 2020-21 however the E-form DIR-12 is yet to filed.*

4. *Mr. Amarjit Kochhar having DIN: 08645111 was appointed as an Additional Director in the company with effect from 30th June, 2021, later on the Board has appointed him again as an Additional Director in the category of Independent Director w.e.f 07.06.2022, and he was also regularized in the F/Y 2021-22, however the E-form DIR-12 is yet to be filed.*

5. *During the period under review, we observed that Ms. Chandra Kala Khemka (DIN: 00103255), has attained the age of 75 years in March 2022 but company has not passed the Special Resolution as per Regulation 17(A) of SEBI (LODR) Regulations, 2015.*

6. *During the period under review Company is not in compliance with Section 197 of Companies Act, 2013 read with applicable rules as Company is paying managerial remuneration beyond the limits without taking prior approval from shareholders.*

7. *During the period under review, Company has not filed CSR-2 for the F/Y 2021-22 as per Section 135 of the 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)

Vikas Kumar Verma
Managing Partner
Membership No. F9192
CP No. 10786

Date:
Place: New Delhi
UDIN:

Annexure-A

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)

Vikas Kumar Verma
Managing Partner
Membership No. F9192
CP No. 10786

Date:
Place: New Delhi
UDIN:

Annexure-II

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, if any:
   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:	**Rajeev Khemka**	**Amrit Bhatnagar**
Place:	**Whole Time Director & CFO**	**DGM Finance**
	DIN: 00103260	

Annexure III

FORM NO. AOC-2

(Pursuant to Clause(h) of Sub-Section (3) of Section 134 of the Act and Rule8(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 year2022-23.

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 year2022-23 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/Committee, 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: **Rajeev Khemka**
Place: **Executive 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 31stMarch 2023, as envisaged in Regulation 34(3) of SEBI (LODR) Regulations, 2015.

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

ANNEXURE-IV

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company:

We strive to be a socially responsible Company and strongly believe in development which is beneficial for the society at large. Through the CSR program, the Company sets the goal of reaching a global balance that integrates human, environmental and community resources. By means of integrating and embedding CSR into its business operation and participating proactively in CSR initiatives, the Company intends to contribute continuously to the global sustainable development. The objective of this Policy is to set guiding principles for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

2. Composition of CSR committee as on March 31st 2023:

S.no	Name	Position	Designation
01	Mr. Rajeev Khemka	Chairman	Promoter/Executive Director
02	Mr. Sanjeev Khemka	Member	Member
03	Mr. Salil Narang	Member	Independent/Non-Executive Director

2. Average net profit of the company for last three financial years for the purpose of computation of CSR – Rs 8.53 Cr.

3. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.17.07 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.23.35 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.

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

S. No	CSR Project or Activity Identified	Sector in which the Project is covered	Projects or Programmes (Local area or other)	Amount outlay (Budget) project or programs wise (Rs)	Amount Spent on the projects or programmes Sub Heads	Cumulative expenditure upto the reporting period (Rs)	Amount Spent: Direct or through implementing agency
1	Khemka Charitable Trust	Charitable Activities (Promoting education, health care and environmental sustainaibility	Faridabad	23.35 lacs	Direct Expenditure	23.35 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 modem retailing channels such as supermarkets and hypermarkets is the main driver towards shifting to packaged goods. As these modem 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 year-end 2022-23, 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, 2023 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.

JAGDISH CHAND & CO.
CHARTERED ACCOUNTANTS

H-20, LGF, GREEN PARK (MAIN), NEW DELHI- 110 016, INDIA
Phones: 26511953, 26533626, 41759467 Fax: 41759467 email: mail@jcandco.org

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KCL LIMITED

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of KCL LIMITED (the 'Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as the standalone financial statements).

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2023, and its profit, total comprehensive income, its cash flows and changes in equity for the year ended on that date.

Basis for Qualified Opinion

a) As stated in note 6.1 in the accompanying statement of standalone financial statements, the Company has given loan to a related party company, M/s KCL Milk Products India Pvt Ltd, amounting to Rs. 966.44 Lakhs. This related party has negative net worth as per last available audited financial statements. As described in the note, the management, on the basis of its internal assessment, has considered this loan as fully recoverable and in the opinion of management, no provision for diminution of value is required. In absence of sufficient audit evidence to support the management's aforesaid assessment, we are unable to comment upon the recoverability of such loan.

b) No adjustment of Revenue has been considered in some cases for Variable consideration of freight in terms of Ind AS 115 "Revenue from Contract with Customers") where sale price is inclusive of freight. (Refer Note 40.5)

c) Excess Managerial Remuneration of Rs. 3.19 Lakhs has been paid without approval of members in the General Meeting of the Company. (Refer Note No. 34 & 45)

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone 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 standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone 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 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 the matters described below to be Key Audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditors Response
1.	**Impairment of Trade Receivables**	
	Impairment losses represent management's best estimate of expected credit losses on receivables at the reporting date. We have focused on this area because the measurement of impairment losses requires management to make a series of judgements and decisions. The Company assesses impairment of trade receivables both individually and collectively at each reporting date. In estimating the amount of impairment losses, which is equal to the Expected Credit Losses (ECL), management takes into account, among other things, the payment history of the receivables and the historical experience of credit losses, and an assessment of both the current and expected general economic conditions at the date of the report. Thus, the key	Among others, we have carried out the following procedures in this area: • Assessing the appropriateness of the Company's impairment methodology against the requirements of relevant financial reporting standards. • Understanding and assessing the key internal control systems in place in relation to trade receivables recoveries and impairment testing. • Testing the accuracy and completeness of the Company's ECL calculation as at 31 March 2023. • Procedures related to collectively valued trade receivables (based on the expected credit loss (ECL) model)

	areas of measurement uncertainty and judgements related to the recognition of impairment of trade receivables are as follows: • the assumptions used to estimate the credit risk of the related exposure and the client's expected future cash flows; • identification of exposures with significant credit risk or credit impairment (default)	• We tested key parameters of the collective impairment model, such as historical information on default rates and their impact on the model, taking into account the Company's own historical credit loss experience. • Procedures related to the totality of impairment provisions: • Assessing whether the financial statements' disclosures about expected credit losses related to trade receivables are presented in accordance with the requirements of relevant financial reporting standards.
2.	**Revenue Recognition**	
	For the year ended 31 March 2023 the Company has recognized revenue from operations of Rs. 43,714.21 Lakhs. Revenue is a key performance indicator and therefore in internal and external stakeholders' focus. Revenue recognition has been recognized as a key audit matter due to diverse and complex revenue streams across the Company. We have identified following key areas for consideration: In line with Ind As 115, the Company recognizes revenue when a performance obligation is satisfied by transferring control over a promised good or service. Due to the Company's business model, overtime revenues are currently not material. Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer.	Our audit procedures included the following: • Evaluation of internal control activities over revenue recognition and testing of key controls. • Analysis of significant sales contracts to verify correct Ind AS accounting treatment. • Testing timeliness of revenue recognition by comparing individual sales transactions to delivery documents and by checking significant credit notes issued after year-end. • Analysis of revenue transactions using audit and data analysis techniques. • Testing of accounts receivables by requesting confirmations from the company's customers and by reconciling cash payments received after the year end against the accounts receivable balances at the year end. • Assessed the management judgement and supporting documents around timing of recovery of such costs.

	This normally means when a product has been delivered to the customer in accordance with agreed delivery terms.	• Selected a sample of sales in corrugated box and food segments, made pre and post year end, agreeing the date of revenue recognition to third party support, such as receipts, to confirm sales are recognized according to contract conditions. • Examined invoice samples with various shipping terms to test whether revenue has been recognized correctly. • Assessed the disclosures made by the Company (Also refer para (b) of our basis for qualified opinion & note 40.5)

Emphasis of Matter

a) We draw attention to Note No. 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 Ex-director of the company with respect to matters of corporate governance and some other aspects of accounts of the company. As per the information and explanations given to us, the management has refuted these allegations and the matter is pending before Hon. National Company Law Tribunal and management believes that this would have no impact on standalone financial statements.

   Our conclusion is not modified in respect of this matter.

b) The company has Inventories of Rs. 3,019.17 Lakhs as on 31 March 2023 (Refer Note No 8). We have not observed physical inventories of Raw materials, Work-in-progress, Finished Goods, Scrap & Stores and spares as on 31 March 2023 as we were appointed as Independent Auditor of the Company on 15 July 2023.

   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 financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information, when it becomes available, 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. When we read the other information, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 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 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the Standalone 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 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 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.

Other Matters

a) The standalone financial statements of the company for the year ended 31 March, 2022 were audited by another auditor who expressed an Qualified Opinion on those statements vide Independent Auditor's Report dated 5 August, 2022

   Our opinion is not modified in respect of this matter.

b) Some disclosures as required under Ind AS and schedule III Division II of the Companies Act, 2013 of the company for the year ended 31 March, 2022, which were not incorporated in audited accounts for the year ended 31 March, 2022 which now have been incorporated by the management and have not been audited by us (Refer No. 59.4).

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and except for the matters 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 matters 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income) the Standalone Statement of Cash Flows and the Standalone Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

   d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone 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) The matters described under the Basis of Qualified Opinion section above, may, in our opinion have an adverse effect on the functioning of the Company.

   f) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act except in case of Mr. Sanjeev Jain (DIN 00011248) we

are unable to comment on whether Mr. Sanjeev Jain (DIN 00011248) Director of the company is disqualified from being appointed as director in terms of section 164 (2) of the Act since we have not received written representation for Mr. Sanjeev Jain.

g) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in **Annexure B**. Our report expresses a Qualified Opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls with reference to standalone financial statements.

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 as at 31 March, 2023 on its financial position in its standalone financial statements (Refer Note No. 39)

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31 March 2023.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2023.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("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, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("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;

(c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not paid or declared dividend during the year and until the date of this report.

3. In our opinion and as per information and explanations given to us, the managerial remuneration for the year ended 31 March 2023 has been paid / provided by the Company to its directors during the year is not in accordance with the provisions of section 197 of the Act. (Refer para c of the matter described in basis for qualified opinion paragraph above along with Note No. 34 & 45).

For **JAGDISH CHAND & CO.**
Firm Registration Number: 000129N
Chartered Accountants

(Pawan Kumar)
Partner
Membership Number: 511057
UDIN:

Place:
Date:

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of KCL Limited of even date)

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

i	a	(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets. (B) The Company has maintained proper records showing full particulars of intangible assets.
	b	The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
	c	The Title Deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date except as below:

Description of property	Gross carrying value (Rs. In Lakhs)	Held in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter/ director	Property held since which date	Reason for not being held in the name of the company

			Land Building at 275, Sector 24 Faridabad, Haryana	2.50	Khemka Containers Ltd	Title Deed is in the former name of the company, which was later changed to KCL Limited	1987	Non execution of change of name with respective authority
			Village Bir Plassi Nalagarh (Himachal Pradesh)	74.60			2007	Non execution of change of name with respective authority
			Paonta Sahib (Himachal Pradesh)	16.87			2008	Non execution of change of name with respective authority
			Plot No 212-215, Ambala, Saha (Haryana)	113.37			2006	Title Deed execution pending in favor of company
			Land Building At 11B , Udyog Vihar, Greater Noida	149.58			2002	Non execution of change of name with respective authority

		Property Plant and Equipment at Plot No. 254 & 255 , T.V ROZKAMEO, FARIDABAD, HARYANA	18.84			2015	Title Deed execution pending in favor of company
		(Refer Note No 58 of standalone financial statement)					
	d	The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.					
	e	No proceedings have been initiated during the year or are pending against the Company as at 31st March 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.					
ii	a	The physical verification of inventory has been conducted at reasonable intervals by the Management during the year. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.					
	b	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 quarterly returns or statements filed by the company with such banks are not in agreement with the books of account of the company.					

(Rs. In Lakhs)

Quarter ending	**As per books of accounts**	**As per statement submitted by company to bank**	**Difference**
June 2022	20,396.19	19,774.05	622.14
September 2022	21,721.10	20,655.53	1,065.57
December 2022	18,971.12	17,445.86	1,525.26
March 2023	19,852.83	17,520.58	2,332.26

(Refer Note No. 53)

iii

Based on our audit procedures and according to the information and explanations given to us, during the year the company has not made investments in, provided any guarantee or security to companies, firms, Limited Liability Partnerships or any other parties. During the year the Company has provided loans to companies, in respect of which the requisite information is as below:

a

Based on our audit procedures and according to the information and explanations given to us, the company has provided loans to companies.

(A) The Company has not made investments, provided guarantee or security during the year to Subsidiaries. The Company does not have any joint ventures and associates.

(B) The aggregate amount of loans given during the year, and balance outstanding at the balance sheet date with respect to such loan to parties other than subsidiaries are given below.

(Rs. In Lakhs)

	Guarantees	**Security**	**Loans**	**Advances in nature of loans**
Aggregate amount granted/ provided during the year				
--Subsidiaries	NIL	NIL	NIL	NIL
--Joint Ventures	NIL	NIL	NIL	NIL
--Associates	NIL	NIL	NIL	NIL
--Others	NIL	NIL	7.24	NIL
Balance outstanding as at balance sheet date in respect of above cases				
--Subsidiaries	NIL	NIL	NIL	NIL
--Joint Ventures	NIL	NIL	NIL	NIL
--Associates	NIL	NIL	NIL	NIL
--Others	NIL	NIL	1033.18	NIL

b

According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion, that the terms and conditions of loans given for Rs. 1,033.18 lakhs (Refer Note No 6 & 42 of the standalone financial Statements) are prejudicial to the company's interest on account of the fact that the loan given to respective parties is interest free, which is significantly lower than the cost of funds to the company and also lower than the prevailing yield of government security closest to the tenor of the loan. No Loan Agreements have been produced before us for verification. However, as explained to us by the management of company, these loans are repayable on demand.

c

According to the information and explanations given to us and based on the audit procedures conducted by us, in respect of loans (balance outstanding as on 31st March 2023, Rs. 1,033.18 lakhs (Refer Note No 6 & 42 of the standalone financial Statements), no schedule of repayment of principal and payment of interest has been stipulated. Since no schedule of repayment of

principal has been stipulated, we are unable to comment on the regularity of repayments or receipts. No Loan Agreements have been produced before us for verification. However, as explained to us by the management of company, these loans are repayable on demand.

d The agreement for loan were not made available to us for our verification. According to the information and explanations given to us, no schedule of repayment of principal has been stipulated in respect of advances in the nature of loan. In absence of agreement for loan, we are unable to comment on the overdue amount for more than ninety days.

e In absence of agreement for loan and advances (balance outstanding as on 31st March 2023, Rs. 1,033.18 lakhs (Refer Note No 6 & 42 of the standalone financial Statements), we are unable to comment whether any loan has fallen due during the year which has been renewed or extended or fresh advances in the nature of loans given to settle the overdue of existing loans given to the same party.

f The Company has granted loans without specifying any terms or period of repayment to Related Parties as defined in clause (76) of section 2 of the Companies Act, 2013. (Refer Note No 6 & 42 of the standalone financial Statements) The agreement for loan and advances were not made available to us for our verification. According to the information and explanations given to us, by the management of the company, these loans are repayable on demand and are interest free.

The Company has not granted loans without specifying any terms or period of repayment to Promoters.

Details are as under:

(Rs. In Lakhs)

Particulars	**All Parties**	**Promoters**	**Related Parties**
Aggregate Amount of Loans/ Advances in the nature of loans where:			
-Loan is repayable on Demand (A)	NIL	NIL	1033.18
- Loan Agreement does not specify any terms or period of repayment (B)	NIL	NIL	NIL
Total (A+B)	NIL	NIL	NIL
Percentage of loans/ advances in the nature of loans to total loans	NIL	NIL	89.32%

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, is concerned, it is complied with except non charging of interest on loans given to related parties.

(Rs. In Lakhs)

S. No.	**Non-Compliance of Section 186**				
	Particulars	**Name of Company/ Party**	**Amount Involved**	**Balance as at balance**	**Remarks, if any**

					sheet date	
	1.	Loan given at rate of interest lower than prescribed	KCL Milk Products India Pvt Ltd	6.49	996.44	Non-interest bearing
			Khemka Leasing Pvt ltd	0.42	12.75	Non-Interest bearing
			Khemka Packaging Private Ltd	0.12	2.60	Non-Interest bearing
			Ginni Packaging Pvt. Ltd	0.22	7.65	Non-Interest bearing
			Khemka Charitable Trust	NIL	13.74	Non-Interest bearing

v		According to the information and explanations given to us, the Company has not accepted any deposit or amounts which are deemed to be deposits.
vi		Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
vii	a	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, Undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service taxes, cess and other material statutory dues, as applicable, have been regularly deposited with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31 March 2023.
	b	According to the information and explanations given to us, there are no statutory dues 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 have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
ix	a	The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
	b	According to information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
	c	According to the records of the Company examined by us and the information and explanation given to us during the year no term loan was taken by the company during the year. Term Loans taken by the Company in earlier years were applied for the purpose for which they were obtained.

	d	On an overall examination of the financial statements of the Company, no funds were raised on short- term basis during the year and have, prima facie, not been used for long-term purposes during the year 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 subsidiary. The company does not have any associate or Joint venture.
	f	The Company has not raised any loans during the year on the pledge of securities held in its subsidiary. The company does not have any associate or Joint venture.
x	a	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 3(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 3(x)(b) of the Order is not applicable.
xi	a	No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
	b	No report under sub-section (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	The Company has not received any whistle-blower complaints during the year (and upto the date of this report). However, We draw attention to note 41.3 in the standalone financial statements, wherein it has been stated that the company had received certain concerns raised by one of Ex-director of the company with respect to matters of corporate governance and some other aspects of accounts of the company. As per the information and explanations given to us, the management has refuted these allegations and the matter is pending before Hon. National Company Law Tribunal.
xii		The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order 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 and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
xiv	a	To the best of our knowledge and belief and according to the information and explanations given to us, the Company has an internal audit system in place. However, it is not in commensurate with the size and nature of its business and requires further strengthening by focusing on process based internal audit.
	b	The reports of the Internal Auditor for the period under audit have been considered by us except internal audit reports for two units which we have been informed has not been carried out for last quarter of the year since the records for these two units were not provided to the internal auditors. (Refer Note --------)

xv		In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
xvi	a	In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of theOrder is not applicable.
	b	In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(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 in the immediately preceding financial year
xviii		There has been resignation of the statutory auditors subsequent to the year and no issues, objections or concerns were raised by the outgoing auditors.
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	There is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clauses 3(xx)(a) of the Order is not applicable.
	b	There is no unspent CSR amount as at Balance Sheet date under section (5) of section 135 of the Act, pursuant to any ongoing project, hence, reporting under clause 3(xx)(b) of the Order is not applicable.

For **JAGDISH CHAND & CO.**
Firm Registration Number: 000129N
Chartered Accountants

(Pawan Kumar)
Partner
Membership Number: 511057
UDIN:

Place of signature: Faridabad
Date:

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(g) of the Independent Auditors' Report of even date to the members of KCL Limited on the standalone financial statements for the year ended 31 March 2023

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

We have audited the internal financial controls with reference to Standalone Financial Statements of KCL Limited ("the Company") as of 31 March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Standalone Financial Statements

A company's internal financial control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to Standalone Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Standalone Financial Statements to future periods are subject to the risk that the internal financial control with reference to Standalone Financial Statements 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, the following material weaknesses have been identified for the year ended 31 March, 2023:

a) The Company did not have an effective internal audit system commensurate with the size, nature and complexities of the business.

b) The Company did not have an integrated ERP system. One Unit of the company is using different software package for recording financial transactions which requires manual intervention.

c) The Company did not have an effective system for approvals of Managerial Remuneration as required under the provisions of Companies Act, 2013.

d) The Company did not have effective system for assessing and recognizing the variable consideration of freight where sale price is inclusive of freight.

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 effects/possible effects of the material weaknesses 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 and such Internal Financial Controls over Financial Reporting were operating effectively as on March 31, 2023, 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.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company as at and for the year ended 31 March 2023, and these material weaknesses have affected our opinion on the standalone financial statements of the Company and we have issued a qualified opinion on the standalone financial statements.

For **JAGDISH CHAND & CO.**
Firm Registration Number: 000129N
Chartered Accountants

(Pawan Kumar)
Partner
Membership Number: 511057
UDIN:

Date:

Place: Faridabad

KCL LIMITED

CIN-L74899DL1983PLC068008

Standalone Balance Sheet as at 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	As at 31-Mar-2023	As at 31-Mar-2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	7352.55	8175.23
Capital work-in-progress	3	-	3.31
Right of Use Asset	3	1026.74	1050.14
Investment Property	3	170.82	168.77
Other Intangible assets	3	-	-
Financial Assets			
i Investments	4	15.98	64.17
ii Other financial assets	5	1.20	7.24
Non Curent Loans	6	1033.18	1025.94
Other non-current assets	7	484.95	449.42
Total Non-Current Assets		**10085.42**	**10944.21**
Current Assets			
Inventories	8	3019.17	3454.64
Financial Assets			
i Trade receivables	9	6908.40	6971.60
ii Cash and cash equivalents	10	563.60	216.01
iii Bank balances other than (ii) above	11	196.45	105.66
iv Loans	12	123.46	100.77
vi Other financial assets	13	4.95	4.87
Current Tax Assets (Net)	14	91.24	42.66
Other current assets	15	318.35	316.52
Total Current Assets		**11225.62**	**11212.73**
Total Assets		**21311.04**	**22156.94**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	16	300.01	300.01
Other Equity	17	11854.85	10430.22
Total Equity		**12154.86**	**10730.23**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	18	1293.36	1997.87
Lease liabilities	19	25.29	48.64
Provisions	20	111.60	101.28
Deferred Tax Liabilities (Net)	21	58.27	150.45
Other Non-Current Liabilities	22	5.11	5.11
Total Non-Current Liabilities		**1493.63**	**2303.35**
Current Liabilities			

KCL LIMITED

CIN-L74899DL1983PLC068008

Standalone Balance Sheet as at 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	As at 31-Mar-2023	As at 31-Mar-2022
Financial Liabilities			
i Borrowings	23	945.47	1740.10
ii Lease liabilities	24	23.35	21.56
iii Trade Payables	25		
Micro & Small Enterprises	25	-	-
Others	25	6281.45	6923.81
iii Other financial liabilities	26	265.07	258.25
Other Current Liabilities	27	137.81	172.21
Provisions	28	9.39	7.41
Current Tax Liabilities (Net)	29	-	-
Total Current Liabilities		**7662.55**	**9123.35**
Total Liabilities		**9156.18**	**11426.70**
Total Equity and Liabilities		**21311.04**	**22156.94**
Corporate Information & Significant Accounting Policies	1-2		-
Notes to Accounts	1-60		

Accompanying Notes are an integral part of the standalone financial statements

As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

KCL LIMITED

CIN-L74899DL1983PLC068008

Standalone Statement of Profit & Loss for the year ended 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
INCOME			
Revenue from Operations	30	51514.79	45942.31
Less: GST ecovered		7800.58	6206.75
		43714.21	39735.56
Other Income	31	37.82	27.36
Total Income		**43752.03**	39762.92
EXPENSES			
(a) Cost of Materials Consumed	32	29511.41	27346.32
(b) Changes in Inventories of Finished Goods & Work-In-Progress	33	104.16	139.61
(c) Employee Benefits Expense	34	2109.42	1824.43
(d) Finance Costs	35	386.82	421.09
(e) Depreciation and Amortization Expenses	36	1274.27	1427.12
(f) Other Expenses	37	8288.27	7163.42
Total Expenses		**41674.35**	38322.00
Profit before tax		**2077.68**	1440.92
Tax expense:	21.3		
Current Tax		737.20	499.10
Mat Credit entitlment		87.28	238.40
Mat Credit Utilised		-87.28	-238.40
Income Tax related to earlier years		2.01	0.08
Deferred Tax Adjustment		-92.18	-56.55
Total Tax Expenses		**647.03**	**442.63**
Profit for the year		**1430.65**	998.29
Other Comprehensive Income/(Expense)			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of investment at fair value		**0.81**	0.24
(ii) Remeasurement of net defined benefit plans		**-6.83**	8.92
Income tax relating to itemes that will not be reclassified to profit or loss			
(B) Items that will be reclassified to profit or loss		-	-
Income tax relating to itemes that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the year		**1424.63**	1007.46

KCL LIMITED

CIN-L74899DL1983PLC068008

Standalone Statement of Profit & Loss for the year ended 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Earnings per Equity Share of face value of Rs.10/- each	38		
Basic		**48.36**	33.75
Diluted		**48.36**	33.75
Corporate Information & Significant Accounting Policies	1-2		
Notes to Accounts	1-60		

Accompanying Notes are an integral part of the standalone financial statements

As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

KCL LIMITED

CIN-L74899DL1983PLC068008

Standalone Statement of Changes in Equity for the year ended 31.03.2023

A. Equity share capital

Particulars	Numbers	Amount (Rs. In Lakhs)
Balance as at April 1, 2021	3,000,085	300.01
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	**3,000,085**	300.01
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	**3,000,085**	300.01

B. Other equity

(Rupees in Lakhs)

Particulars	Reserve and surplus				Items of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earning	Securities Premium Account		
Balance as at April 1, 2021	107.14	7103.24	2004.76	249.01	-41.38	9422.77
Transfer of defined benefit to retained earning						
Profit for the year	-	-	998.29	-	9.16	1007.45
Other comprehensive income / (expense) for the year (net of income tax)	-	-		-	-	-
Balance as at March 31, 2022	**107.14**	**7103.24**	**3003.05**	**249.01**	**-32.22**	**10430.22**
Balance as at April 1, 2022	107.14	7103.24	3003.05	249.01	-32.22	10430.22
Profit for the year	-	-	1430.65	-	-	1430.65
Other comprehensive income / (expense) for the year (net of income tax)	-	-	-	-	-6.02	-6.02
Balance as at March 31, 2023	**107.14**	**7103.24**	**4433.70**	**249.01**	**-38.24**	**11854.85**

Corporate Information & Significant Accounting Policies 1-2
Notes to Accounts 1-60
Accompanying Notes are an integral part of the standalone financial statements
As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)

A28783
Place : Faridabad
Date:

KCL LIMITED
CIN-L74899DL1983PLC068008

Standalone Statement of Cash Flows Statement for the year ended 31.03.2023

(Rupees in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Cash Flow from Operating Activities		
Net Profit before Tax	**2077.68**	1440.92
Adjustments for :		
Depreciation and Amortisation	**1274.27**	1427.12
Loss on imairment of investment	**49.00**	-
Provision for Gratuity & Leave Encashment	**5.47**	21.21
Finance Costs	**386.82**	421.09
Profit on Sale of Property, Plant and Equipment	**-3.81**	-0.78
Interest Income	**-18.45**	-16.60
Operating Profit before Working Capital changes	**3770.98**	3292.95
Changes in Working Capital:		
Adjustments for (increase) / decrease in Operating Assets:		
Inventories	**435.47**	-738.53
Trade Receivables	**63.20**	-1378.80
Loans-current	**-22.68**	-19.84
Bank balance other than cash and cash equivalents	**-90.79**	-34.85
Other current assets	**-90.56**	241.44
Other financial assets	**-0.08**	-3.96
Other Non Financial Assets	**6.04**	-7.24
Other Non Current Assets	**-6.44**	-8.63
Adjustments for increase / (decrease) in Operating Liabilities:		
Trade Payables	**-642.36**	1148.23
Other financial liabilities	**6.82**	-9.80
Other Current Liabilities	**-34.40**	108.77
Other lease liabilities	**1.79**	-3.59
Cash generated from Operations	**3396.98**	2586.16
Income Tax Paid (Net of Refunds)	**-699.05**	-223.33
Net Cash Flow from Operating Activities (A)	**2697.93**	2362.83
B. Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment & Intangible Assets	**-439.34**	-902.74
Advance for capex	**-36.33**	-155.94
Creditor for capex	**0.00**	-8.12
Investment in subsidiary	**0.00**	-10.00
Increse/decrese in Long Term Capital Advances		
Proceeds from Sale of Property, Plant and Equipment	**16.23**	31.04
Interest Received	**18.45**	16.60
Net Cash Flow from / (used in) Investing Activities (B)	**-440.99**	-1029.16

C. Cash flow from Financing Activities		
Proceeds from Long Term Borrowings	**-704.51**	-930.34
Net increase / (decrease) in short term Borrowings	**-794.62**	-342.34
Other Financial Liabilities	**-23.35**	48.64
Interest Paid	**-386.82**	-421.09
Net Cash Flow from / (used in) Financing Activities (C)	**-1909.31**	-1645.13
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**347.59**	-311.45
Cash and Cash Equivalents at the beginning of the year	**216.01**	527.46
Cash and Cash Equivalents at the end of the year	**563.60**	216.01
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	**8.74**	5.03
(b) Balances with Banks		
(i) In Current Accounts	**4.86**	26.31
(ii) In Fixed Deposits	**550.00**	184.67
	563.60	216.01

Corporate Information & Significant Accounting Policies 1-2

Notes to Accounts 1-60

Accompanying Notes are an integral part of the standalone financial statements

As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March 2023

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 Metropolitian 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 (Haryana), Greater Noida (U.P.), Baddi and Paonta Sahib (H.P.), Chayyar (Tamil Nadu) & Sricity (A.P.). The products are supplied to reputed buyers in the field of FMCG products, Auto Sector & Food Industries. The Company has two major segments Packaging Products and Food Products.

The financial statements were approved and authorised for issue in accordance with the resolution of the Company's Board of Directors on Dated 04th September 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

Compliance with Ind AS

The standalone financial statements (hereinafter referred as Standalone Financial Statements or 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

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015. These Standalone financial statements includes Balance Sheet as at 31st March 2023, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Cash Flows and Statement of Changes in Equity for the year ended 31st March 2023, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as Standalone Financial Statements or the Financial Statements).

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 Indian Rupees, which is also its functional currency. All amount in the financial statements and accompanying notes are presented in lakhs 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.
(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, whereever 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. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make sale.

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.

Gains or losses arising on retirement or disposal of investment property is 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.

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 is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

Interest income is recognized on at time proportion basis taking into account the amount outstanding and the rate applicable. Dividends are recognised in profit and loss only when the right to receive payment is established.

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.

2.11 <u>Employees Benefits :-</u>

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.

2.12 Cash & Cash Equivalents

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

2.13 Cash Flow Statement

Cash flows are reported using the indirect method in accordance with Ind AS 7 "Statement of Cash Flows", 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.

2.14 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.

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.

2.15 Leases

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

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

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

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

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

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

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

2.16 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.

2.17 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 Subsidiaries and related parties

A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. The Company has accounted for its investments in unquoted equity shares of Subsidiariesand other related parties at cost.

Investments in subsidiaries are carried at cost as per Ind AS 27. Cost comprises price paid to acquire investment and directly attributable cost. The investments in Subsidiaries are carried in these financial statements at historical 'cost', except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for as Non-current assets held for sale and discontinued operations. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

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.

2.18 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.

2.19 Recent Pronouncement:

On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

Ind AS 1-Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its standalone financial statements.

Ind AS 12- Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lakhs)

Note 3 Property, Plant & Equipment

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	**As at 01.04.2022**	**Additions**	**Sales /or Adjustment**	**As at 31.03.2023**	**As at 01.04.2022**	**For the year**	**Sales / or Adjustment**	**As at 31.03.2023**	**As at 31.03.2023**	**As at 31.03.2022**
Owned Assets:										
Land	907.99	-	-	**907.99**	-	-	-	-	**907.99**	907.99
Building	4284.20	-	-	**4284.20**	2238.12	**191.29**		2429.42	**1854.78**	2046.07
Tubewell	8.10	-	-	**8.10**	6.96	-	-	6.96	**1.14**	1.14
Plant & Machinery	14031.90	140.01	**63.16**	**14108.76**	9394.61	**837.13**	**58.80**	10172.95	**3935.81**	4637.29
Electric Installations	353.15	-	-	**353.15**	321.01	**15.15**	-	336.16	**16.99**	32.14
Moulds & Dies	4.45	-	-	**4.45**	3.69	**0.08**	-	3.77	**0.68**	0.76
Testing & Checking	87.39	1.88	-	**89.27**	68.51	**4.61**	-	73.12	**16.15**	18.87
Fire Fighting Equipment	103.69	0.08	-	**103.77**	67.65	**9.30**	-	76.94	**26.83**	36.04
Furniture & Fixture	240.05	7.23	-	**247.28**	167.84	**19.09**	-	186.93	**60.35**	72.21
Computer	179.42	11.01	-	**190.44**	157.74	**12.95**	-	170.68	**19.75**	21.69
Office Equipments	76.33	5.75	-	**82.07**	63.73	**6.01**	-	69.74	**12.33**	12.59
Intercom Systems	25.46	10.88	-	**36.33**	18.87	**5.39**	-	24.26	**12.07**	6.59
Air Conditioner	70.44	5.14	**0.66**	**74.91**	54.34	**5.57**	**0.61**	59.30	**15.61**	16.09
Vehicle	749.65	111.52	**91.64**	**769.53**	622.11	**41.90**	**85.83**	578.18	**191.34**	127.53
Trucks & Tractors	922.94	110.79	**26.06**	**1007.68**	698.34	**81.42**	**23.86**	755.90	**251.78**	224.60
Material Handling Equipments incl plant lift	39.77	30.28	-	**70.05**	26.17	**14.93**	-	41.11	**28.95**	13.60
Temporary Construction	0.44	-	-	**0.44**	0.44	-	-	0.44	-	-
Sub-Total	**22085.36**	**434.57**	**181.51**	**22338.42**	**13910.14**	**1244.83**	**169.10**	**14985.87**	**7352.55**	**8175.23**
Prev Year	*21168.30*	*1225.16*	*308.10*	*22085.36*	*12790.58*	*1397.40*	*277.84*	*13910.14*	*8175.23*	*8377.72*

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lakhs)

Capital Work in Progress	As at 01.04.2022	Additions	Transfer to PPE	As at 31.03.2023
Plant & Machinery	3.31	-	3.31	-
Sub-Total	**3.31**	-	**3.31**	**0.00**
Prev Year	*415.18*	*3.31*	*415.18*	*3.31*

Capital work-in-progress (CWIP) ageing schedule

For the year ended March 31, 2023 *(Rupees in Lakhs)*

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		-	-	-	-
Projects temporarily suspended	-	-	-	-	-

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

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Right-of-Use Assets	**As at 01.04.2022**	**Additions**	**Sales /or Adjustment**	**As at 31.03.2023**	**As at 01.04.2022**	**For the year**	**Sales / or Adjustment**	**As at 31.03.2023**	**As at 31.03.2023**	**As at 31.03.2022**
Leasehold Land	979.94	0.00	-	**979.94**	-	-	-	-	**979.94**	979.94
Land & Building	139.39	-	-	**139.39**	69.18	**23.40**		92.58	**46.80**	70.21
Sub-Total	**1119.32**	-	-	**1119.32**	**69.18**	**23.40**	-	**92.58**	**1026.74**	**1050.14**
Prev Year	*1049.12*	*70.21*	-	*1119.32*	*46.12*	*23.06*	-	*69.18*	*1050.14*	*1003.00*

* For disclosure related to Ind AS 116, refer Note no. 56

INVESTMENT PROPERTIES	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	**Additions**	**Sales /or Adjustment**	**As at 31.03.2023**	**As at 01.04.2022**	**For the year**	**Sales / or Adjustment**	**As at 31.03.2023**	**As at 31.03.2023**	**As at 31.03.2022**
Land (SAHA)	105.30	8.08		113.37	0.00			0.00	**113.37**	105.30
Building(SAHA)	118.04			118.04	54.57	6.03		60.60	**57.45**	63.48
Sub-Total	**223.34**	**8.08**	**0.00**	**231.42**	**54.57**	**6.03**		**60.60**	**170.82**	**168.77**
Previous year	*204.09*	*19.25*	*0.00*	*223.34*	*47.90*	*6.66*		*54.57*	*168.77*	*156.19*

*For disclosure related to Ind AS 40, refer Note no. 55

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Intangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Sales /or Adjustment	As at 31.03.2023	As at 01.04.2022	For the year	Sales / or Adjustment	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	57.44			**57.44**	57.44		0.00	57.44	**0.00**	0.00
Sub-Total	**57.44**	**0.00**	**0.00**	**57.44**	**57.44**	**0.00**	**0.00**	**57.44**	**0.00**	**0.00**
Previous year	*57.44*	*0.00*	*0.00*	*57.44*	*57.44*	*0.00*	*0.00*	*57.44*	**0.00**	**0.00**
Total	**23488.78**	**442.65**	**184.83**	**23746.60**	**14091.33**	**1274.26**	**169.10**	**15196.49**	**8550.11**	**9397.45**
Previous year	*22894.14*	*1317.92*	*723.28*	*23488.78*	*12942.05*	*1427.12*	*277.84*	*14091.33*	*9397.45*	*9952.09*

Note No. 3.1 For title deeds of immovable properties not held in the name of company refer note no. 58

Note No. 3.2 For properties pledged with banks refer note no. 18.1 and 23

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

4 Investments (Non Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Investments measured at Cost in Equity Shares		
Investment in Wholly-owned Subsidiary		
i) 100000 Equity shares (PY 100000 equity shares) of KCL Paper Mills Pvt Limited @10/- each fully paid up.	**10.00**	10.00
Unquoted Equity Shares - Others		
i) 42000 Equity Shares (PY 42000 equity shares) of Ginni Packaging Private Limited of Rs.10/- each fully paid up.	**4.22**	4.22
ii) 490000 Equity shares (PY 490000 equity shares) of M/s KCL Milk Products india Private Limited of Rs.10/- each fully paid up.	49.00	49.00
Less Provision for impairment	-49.00	-
	-	**49.00**
Investments measured at Fair Value Through Other Comprehensive Income)		
Quoted Equity Shares		
609 Equity Shares (PY 609 equity shares) of Indian Bank	**1.76**	0.95
Total	**15.98**	64.17

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
(a) Aggregate value of Quoted Investments	1.76	0.95
(b) Aggregate Market Value of Quoted Investments	1.76	0.95
(c) Aggregate Value of Unquoted Investments	63.22	63.22
(d) Aggregate Amount of Impairment in Value of Investments	49.00	-

4.1 M/s KCL Paper Mill Private Limited, wholly owned subsidiary was incorporated on 21.04.2021 the subsidiary company is yet to commence its business operations as at 31st March 2023

4.2 An impairement on investment of M/S KCL Mill Private Limited of Rs. 49.00 lakhs has been provided as at 31st March

2023, as the net worth of the company as per the latest available audited financials statement was fully eroded

5 Other Financial Assets(non current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Other Bank Balances		
- Fixed Deposits with more than 12 months maturity period*	**1.20**	7.24
Total	**1.20**	7.24

* Pledged with government department/banks as security.

6 Non-current Loans

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Loan to related parties (Refer Note No. 45)		
Unsecured, considered good		
- Inter Corporate Loans	**1019.44**	**1012.19**
- Others	**13.74**	**13.74**
Total	**1033.18**	**1025.94**

6.1 The company has given loan to a related party M/S KCL Milk Products India Private Limited amounting to Rs. 996.44 lakhs. This related party has negative net current assets and it has negative net worth as per the latest available audited financial statements. The management of the company , on the basis of its internal assesment, has considered this loan as fully recoverable and in the opinion of the management, no provision for diminution of value is required.

6.2 Loan given to related parties are non interest bearing and are repayble on demand.

6.3 Disclosure for loan to specified person refer note no. 42

7 Other non- current assets

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Advance for Capital Goods	**307.29**	**270.96**
Security Deposits with government authorities & others	**118.06**	**115.90**
Prepaid Expenses	**20.05**	**23.02**
Other recievables	**30.85**	**30.85**
VAT Credit Receivable	**8.70**	**8.70**
Preoperative Expenses (subject to allocation)		
Opening Balance	-	**7.11**
Addition during the year	-	-
Less : Transferred during the year to Property, Plant and Equipment	-	7.11
Preoperative Expenses	-	-
Total	**484.95**	**449.42**

8 Inventories

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Raw materials	**2397.70**	2691.33
Work-in-Progress	**120.87**	124.33
Finished Goods	**300.11**	401.81
Scrap	**1.15**	0.15
Stores and Spares	**197.38**	237.02
Goods in transit	**1.96**	-
Total	**3019.17**	3454.64

8.1 Inventories have been hypothecated with banks against working capital loans. Refer note no. 18.1 and 23

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

9 Trade Receivables

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
- Secured, Considered Good	-	-
- Unsecured, Considered Good	**6870.29**	6946.10
- Trade recievable which has significant increase in credit risk	**64.83**	25.49
-Trade Recievable- credit impaired	**27.74**	21.71
Total	**6962.86**	**6993.31**
-Less allowance for doubtful trade recievables	**27.74**	21.71
-Less expected credit loss on trade recievables	**26.72**	-
Total	**6908.40**	**6971.60**

9.1 Trade Receivables have been hypothecated with banks against working capital loans. Refer note no. 18.1 and 23 for details

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

9.3 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.

10 Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Cash and Cash Equivalents		
Cash in hand	**8.74**	5.03
Balances with Banks		
- In Current Accounts	**4.86**	26.31
- Fixed Deposits (with Banks less than 3month period)	**550.00**	184.67
Total	**563.60**	216.01

11 Bank balance other than cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Other Bank Balances		
- In Margin Money Accounts	**37.95**	50.99
-Fixed Deposits (with bank more than 3 months but less than 12 month period)	**157.55**	50.53
- Fixed Deposits with more than 12 months maturity period	**1.20**	7.24
- In Employees Group Gratuity Saving Bank Account	**0.95**	4.13
Less: Amount disclosed under the head “other Non Current Financial Assets” (Refer note 5)	**1.20**	7.24
Total	**196.45**	**105.66**

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

12 Loans (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Unsecured considered good		
Loans and Advances to Employees	**123.46**	**100.77**
Total	**123.46**	100.77

13 Other Financial assets (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
(i) Other Receivables (interest accrued on FDR)	**4.95**	**4.87**
Total	4.95	4.87

14 Current Tax Assets (Net)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Current Tax assets (net)	**91.24**	42.66
Total	**91.24**	42.66

15 Other current assets

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Prepaid Expenses	**60.58**	**48.18**
MAT Credit Entitlement	-	**88.73**
Others		
(i) Advance to Suppliers & Others	**257.67**	**179.39**
(ii) Other Receivables	**0.10**	**0.22**
Total	**318.35**	316.52

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

16 Share Capital (Rupees in Lakhs)

	As at 31-Mar-2023	As at 31-Mar-2022
Equity Share Capital : Authorised Share Capital: 50,00,000 Equity Shares of Rs.10/- each (PY -50,00,000 Equity Shares of Rs.10/- each)	**500.00**	500.00
	500.00	500.00
Issued, Subscribed and Paid up Capital: 30,00,085 Equity Shares of Rs.10/- each (PY 30,00,085 Equity Shares of Rs.10/- each)	**300.01**	300.01
TOTAL	**300.01**	300.01

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

	As at 31-Mar-2023		As at 31-Mar-2022	
Name of the Shareholder	**No. of Shares**	**% held**	No. of Shares	% held
Late Sh. Shyam Sunder Khemka*	**526,260**	**17.54**	526,260	17.54
Smt. Chandra Kala Khemka	**800**	**0.03**	390,200	13.01
Sh. Rajeev Khemka	**409,825**	**13.66**	210,325	7.01
Sh. Sanjeev Khemka	**264,875**	**8.83**	264,875	8.83
Sh. Ashish Khemka	**521,250**	**17.37**	331,350	11.04
M/s Khemka Leasing Private Limited	**484,500**	**16.15**	484,500	16.15
M/s Khemka Packaging Private Limited	**200,000**	**6.67**	200,000	6.67

*Shares of Late Sh. Shyam Sunder Khemka are yet to be transferred to his legal heir

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

	As at 31-Mar-2023	As at 31-Mar-2022
Particulars	**No. of Shares**	No. of Shares
Equity Shares at the beginning of the year	3000085	3000085
Add : Shares issued during the year	-	-
Less : Shares cancelled on buy back	-	-
Equity Shares at the end of the year	3000085	3000085

16.3 Shares held by promoters at the end of the year 31st March' 2023

Promoter Name	**No. of Shares as on 31.03.2023**	**% of total Shares**	No. of Shares as on 31.03.2022	**% of total Shares**	**% Change during the Financial Year**
Ashish Khemka	**521,250**	17.37	331,350	11.04	**6.33%**
Chandra Kala Khemka	**800**	0.03	390,200	13.01	**-12.98%**
Rajeev Khemka	**409,825**	13.66	210,325	7.01	**6.65%**
Sanjeev Khemka	**264,875**	8.83	264,875	8.83	**0.00%**
Shyam Sunder Khemka	**352,460**	11.75	352,460	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%**
Total	**1,812,110**		**1,812,110**		**0.00%**

16.4 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 alloted any fully paid up shares pursuant to contract(s) without payment being made in cash nor has alloted 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,2023

17 Other Equity

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
(a) Capital Reserve		
Opening Balance	**107.14**	107.14
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	**107.14**	**107.14**
(b) Securities Premium Account		
Opening Balance	**249.01**	249.01
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	**249.01**	**249.01**
(c) General Reserve		
Opening Balance	**7103.24**	7103.24
Add: Addition during the year	-	-
Less: Utilisation	-	-
Closing Balance	**7103.24**	**7103.24**
(d) Retained Earnings		
Opening Balance	**3003.05**	**2004.75**
Add: Profit for the year	**1430.65**	**998.29**
Less Amount transferred to General Reserve	-	-
Closing Balance	**4433.70**	**3003.05**
(e) Other comprehensive income		
Opening Balance	**-32.22**	-41.38
Add: Additions /deductions	**-6.02**	9.16
Closing Balance	**-38.24**	**-32.22**
Total	**11854.85**	10430.22

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. Mandatory transfer to General Reserve is not required under companies act,2013

Retained Earnings:
Retained earnings include all current and prior retained profits.
Reatined Earnings are the profits that the company has earned till date less any transfer to Genera Reserve, dividends or other distributions to shareholders.

Other Comprehensive Income:
Other components of Equity includes Other Comprehensive Income arising due to remeasurement of defined benefit obligations and invetments valued at fair value through Other Comprehensive Income.

18 Borrowings (Non-current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Secured		
Term Loans		
From Banks	599.56	1078.47
	599.56	**1078.47**
Vehicle Loans		
---From Banks	117.37	75.86
---From NBFC	-	9.79
Unsecured Loans		
From Directors	576.43	833.76
Total	**1293.36**	**1997.87**

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

18.1 Term Loans from HSBC & HDFC Bank are secured by way of pari passu charge over entire Property, Plant and Equipment 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, Varadaiapalem Mandal Chittoor, Andhra Pradesh, in the name of Company and personal guarantee of Sh. Rajeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka ,directors of the company & Sh. Sanjeev Khemka shareholder of the company . All securities are under pari passu charge with Banks .

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 banks and NBFC.

18.4 Unsecured Loans from Directors are Long Term Borrowings and are interest bearing , wherever applicable

19 Lease Liabilities (Non-Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Lease Liabilities (Refer Note no. 56)	**25.29**	48.64
Total	**25.29**	**48.64**

20 Provisions (Non-Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Provision for Employee Benefits (Refer note no. 47)		
-Gratuity (funded)	**70.12**	65.24
-Leave Encashment (un-funded)	**41.48**	36.04
Total	**111.60**	**101.28**

21 Deferred Tax Liabilities (Net)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Deferred Tax Liabilities		
Property, Plant and Equipment	**146.66**	202.54
Total Deferred Tax Liabilities (A)	**146.66**	**202.54**
Deferred Tax Assets		
Provision for Retirement Benefits	35.23	31.65
Property, Plant and Equipment		
Others	53.16	20.44
Total Deferred Tax Assets (B)	**88.39**	**52.10**
Deferred Tax Liabilities (Net) (A-B)	**58.27**	**150.45**

21.1 Movement in Deferred Tax Assets

(Rupees in Lakhs)

Particulars	Retirement Benefits	Others
As at 01st April,2021	**26.82**	**16.15**
Profit and Loss	4.83	4.29
Other Comprehensive Income	-	-
As at 31st March,2022	**31.65**	**20.44**
Profit and Loss	3.58	32.72
Other Comprehensive Income	-	-
As at 31st March,2023	**35.23**	**53.16**

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

21.2 Movement in Deferred Tax Liabilities

(Rupees in Lakhs)

Particulars	PPE	Net DTL
As at 01st April,2021	**249.97**	**207.00**
Profit and Loss	47.43	56.55
Other Comprehensive Income		
As at 31st March,2022	**202.54**	**150.45**
Profit and Loss	-55.88	-92.18
Other Comprehensive Income		
As at 31st March,2023	**146.66**	**58.27**

21.3 Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Income tax expense		
Accounting Profit	**2077.68**	**1440.91**
Enacted tax rates in India	**29.12%**	**29.12%**
Computed expected tax expense	**605.02**	**419.60**
Tax reversal due to expenses allowed for Indian tax purposes	**332.94**	**370.30**
Tax effect of non- deductible expenses	**465.12**	**447.73**
Adjustment of tax relating to earlier years	**2.01**	**2.15**
Total Current Income tax expenses	**739.21**	**499.18**
Deferred tax		
(Decrease)/ Increase in deferred tax liabilities	**55.88**	**-47.43**
Decrease/(Increase) in deferred tax assets	**-36.30**	**-9.12**
Total deferred tax expenses/ (credit)	**-92.18**	**-56.55**
Total Income tax expense	**647.03**	**442.63**

22 Other Non-Current Liabilities

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Creditors for Capital Goods	5.11	5.11
Total	**5.11**	**5.11**

23 Borrowings (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Secured		
Working Capital Loan from Bank *	360.04	798.74
Current Maturities of Long Term Debts		
Term loan from Banks	477.75	833.21
Total	477.75	833.21
Vehicle Loans		
---From Banks	97.18	91.48
---From NBFC	10.50	16.67
Total	**945.47**	**1740.10**

***** Working Capital Limit from HSBC & HDFC Bank are secured by way of pari passu charge over entire Property, Plant and Equipment 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, Varadaiapalem Mandal Chittoor, Andhra Pradesh, in the name of Company and personal guarantee of Sh. Rajeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka directors of the company & Sh. Sanjeev Khemka shareholder of the company. All securities are under pari passu charge with Banks.

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

24 Lease liabilities (current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Lease Liabilities (Refer Note no. 56)	**23.35**	21.56
Total	**23.35**	21.56

25 Trade Payables (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Micro and Small Enterprises (Refer Note No. 25.1)	-	-
Others	**6281.45**	6923.81
Total	**6281.45**	**6923.81**

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-2023	As at 31.03.2022
1 Principal amount due	**Nil**	**Nil**
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 of Trade Payables as required are given in note no.44

26 Other financial liabilities (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Other Payables		
Payable to employee	167.04	169.50
Payable to Others	98.03	88.75
Total	**265.07**	**258.25**

27 Other Current Liabilities

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Advances from others	1.02	1.80
Advances from Customers & others	5.23	22.94
Statutory Dues	40.98	40.67
Statutory Dues (GST Payable) (Net)	90.58	106.81
Total	**137.81**	**172.21**

28 Provisions (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Provision for Employee Benefits (Refer note no. 47)		
-Gratuity (funded)	-	-
-Leave Encashment (un-funded)	9.39	7.41
Total	9.39	7.41

29 Current Tax Liabilities (Net)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Current Tax Liabilities (net)	-	-
	-	-

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

30 Revenue from Operations

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Sale of Products	**52965.12**	47499.84
Less: Incentive payable to customers	**10.16**	-
Less -Internal Consumption	**1440.17**	1557.52
	51514.79	**45942.31**
Less: GST Recovered	**7800.58**	**6206.75**
Total	**43714.21**	**39735.56**

Sale of Products comprises of	**Year ended 31-Mar-2023**	Year ended 31-Mar-2022
Corrugated Boards & Boxes	41750.26	36876.94
Duplex Board Cartons	6855.53	6179.84
Food Products	1225.57	1413.91
Milk /Dairy Products	1330.80	1222.65
Scrap	1802.96	1806.50
Total - Sale of Products	**52965.12**	47499.84

For disclosure related to Ind AS 115 , refre note no. 40

31 Other Income

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Dividend Income	**0.04**	0.01
Interest and Deposits	**18.45**	16.60
Sundry Balances Written back	**5.40**	2.75
Rent Received	**7.66**	7.20
Foreign exchange fluctuation	**0.90**	0.00
Profit on Sale of Property, Plant and Equipment	**3.81**	0.78
Misc reciepts	**1.26**	0.01
Insurance Claim Recieved	**0.30**	-
Total	**37.82**	27.36

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

32 Cost of Raw Materials Consumed

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Opening Stock	**2691.33**	1881.10
Add: Purchases	**30657.95**	29699.33
	33349.28	**31580.43**
Less: Internal Consumption	**1440.17**	1542.78
	31909.11	**30037.65**
Less: Closing Stock	**2397.70**	2691.33
Cost of Material Consumed	**29511.41**	27346.32
Material Consumed comprises:		
1. Kraft Paper	23708.40	21666.50
2. Duplex Board	4191.07	4097.06
3. Corrugated Board & Sheet	1426.11	1650.51
4. Lamination Film	20.54	34.48
5. Flour Wheat & Maize	280.03	245.97
6. Oils & Fats	35.29	29.75
7. Chemicals, Flavours, Sugar & Salts	41.11	40.22
8. Skimmed Milk Powder	0.30	0.03
9. Packaging Materials(used in packing of food	147.59	130.25
10. Dextros Monohydrate	0.00	0.00
11.Raw Milk	382.01	327.51
12.Others	624.12	488.07
13. Soyabeen	67.05	97.11
14.Food product	27.97	53.10
15.Food Ingredients	0.00	28.56
	30951.58	28889.11
Less Internal Consumption	1440.17	1542.78
	29511.41	27346.32

33 Changes in Inventories

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Inventories at the end of the year		
Finished Goods	**300.11**	401.81
Work-In-Progress	**120.87**	124.33
Scrap	**1.15**	0.15
	422.13	**526.29**
Inventories at the beginning 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
Net (Increase) / Decrease	**104.16**	**139.61**

34 Employee Benefits Expenses

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Salaries & Wages	**1784.23**	1558.27
Bonus & Exgrtia	**33.02**	31.63
Leave with wages	**9.33**	0.71
Contributions to Provident Fund*	**74.59**	67.32
Contributions to Employee State Insurance Fund*	**16.94**	16.32
Gratuity*	**27.65**	25.05
Staff Welfare Expenses	**163.66**	125.13
Total	**2109.42**	1824.43

*Refer note no. 47

34.1 Excess managerial remuneration of Rs. 3.19 lakhs has been paid without approval of members in the General Meeting of the Company.

34.2 For related party disclosures refer note no. 45

35 Finance Costs

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Interest Expense on:		
(i) Term Loans from Banks	**121.18**	206.40
(ii) Others Borrowing Costs	**260.81**	213.45
(iii) Interest on lease Liabilities	**4.84**	1.24
Total	**386.82**	421.09

36 Depreciation and Amortisation Expenses

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Depreciation on Property, Plant and Equipment	**1244.83**	1397.40
Amortisation of Right to Use	**23.40**	23.06
Depreciation of investment properties	**6.03**	6.66
Amortisation on Intangible Assets	**0.00**	0.00
Total	**1274.26**	1427.12

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

37 Other Expenses

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Manufacturing Expenses:		
Consumption of Stores and Spare Parts	**1194.11**	910.04
Consumption of Block Printing & Design	**604.91**	502.24
Power and Fuel	**1368.57**	1152.39
Factory Rent including Lease Rentals	**3.87**	5.13
House Keeping Expenses	**23.73**	25.00
Carriage Inward Expenses	**22.58**	15.50
Contractor wages	**1337.83**	1074.02
Repairs to - Machinery	**517.83**	563.06
Repairs to - Others	**279.21**	325.57
Sub Total	**5352.64**	4572.94
Administration Expenses:		
Rent	**23.96**	26.75
Insurance	**78.49**	91.87
Rates and Taxes	**32.64**	42.56
Travelling Expenses	**139.67**	92.97
Conveyance Expenses	**69.38**	67.78
Printing & Stationery	**19.29**	14.52
Postage, Telegram & Telephone	**23.69**	24.39
Legal and Professional	**85.12**	42.09
Retainership Charges	**71.44**	100.43
Security Service Charges	**76.47**	65.48
Membership & Subscription	**6.42**	5.06
Car Maintenance & Vehical Upkeep	**86.06**	63.23
Electricity & Water Charges	**24.32**	24.48
General Expenses	**36.08**	33.96
Employees Recruitment & Training Expenses	**8.26**	24.57
Charity & Donation	**3.79**	13.32
ISO Certification Charges	**8.28**	9.74
Sundry Balances Written off	**10.73**	41.53
Software charges	**4.87**	2.81
Bad Debts Written off	**6.48**	29.63
Provision for bad debts	**6.03**	21.71
Prior Period Expenses	**0.00**	3.43
Listing Fees	**0.64**	0.64

Standalone Notes on Financial Statements for the year ended 31st March,2023

Expenses towards CSR Activities(refer to note no.37.1)	**23.35**	14.69
Provision for doubtful advances	**69.73**	-
Impairment of investments	**49.00**	-
Provision for expected credit loss	**26.72**	-
Penalties	**38.24**	0.31
Director Sitting Fee	**1.26**	-
Interest on late fee-GST	**0.53**	1.41
Interest on late tds	**0.35**	0.00
Foreign exchange fluctuation	**0.69**	2.66
Bank Charges	**13.52**	9.02
Sub Total	**1045.50**	871.05
Selling Expenses:		
Consumption of Packing Materials (Net)	**361.33**	333.40
Freight Outward (Net)	**1216.67**	1079.90
Sales Promotion Expenses	**118.89**	128.77
Discount Allowed	**32.02**	21.78
Advertisement & Publicity	**1.58**	0.47
Sales Tax Paid	**1.29**	9.91
Damages & Claims	**146.64**	123.50
Commission on Sales	**4.77**	5.40
Product & Sample Distribution Exp	**1.97**	10.78
Sub Total	**1885.14**	1713.91
Auditor's remuneration(excluding applicable taxes)		
Audit Fee	**4.00**	4.00
For other services	**0.29**	0.82
For Limited Review	**0.70**	0.70
Sub Total	**4.99**	5.52
Total	**8288.27**	7163.42

37.1- Details of CSR (Corporate Social Responsibilty) 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-2023 (Rupees in Lakhs)**
A.Gross amount required to be spent by the company	**Current Year**	**17.07**
	Previous Year	*10.33*

B. Amount spent during the year	
i) Construction/acquisition of any asset	--
Previous year	*(--)*
ii) On purposes other than (i) above	**23.35**
Previous year	*14.69*
CSR Activities with related parties	*23.35*
Previous year	*14.69*

There is no shortfall at the end of March 31,2023 and March 31, 2022 in terms of amount required to be spent by the company.
For contribution made to related parties refer note no. 45

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note 38 Earning Per Share (Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Earnings Per Share		
i) Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders	**1430.65**	998.29
ii) Weighted Average Number of Equity Shares used as denominator for calculating EPS	**3,000,085**	3,000,085
iii) Add/(less): Adjustment for elimation of shares for Cross Holding between KCL Limited & Ginni Packaging Private Limited	**42,000**	42,000
iv) Weigted number of equity shares	**2,958,085**	2,958,085
v) Basic Earnings per Share (in Rs.)	**48.36**	33.75
vi) Diluted Earnings per Share (in Rs.)	**48.36**	33.75
vii) Face Value per Equity Share (in Rs.)	**10**	10

The basic and dilluted EPS as per audited financial statement for the year ended 31st March 2022 was Rs. 33.58 per share

Note 39

Contingent Liabilities and Commitments (to the extent not provided for)

(Rupees in Lakhs)

	As at 31-Mar-2023	As at 31-Mar-2022
Contingent Liabilities		
Claims against the Company not acknowledged as debt		
1) Surety Bond for availing duty under EPCG Scheme	**69.94**	69.94
2) Letter of Credits	**394.31**	109.45
	464.26	179.40
Commitments		
- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	**664.82**	1162.64
- Export Obligation against Import under EPCG Licence	**4817.15**	4817.15
	5481.97	5979.78

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note -40

Disclosures as required under Ind-AS 115" Revenue from contracts with customer

40.1 Disaggregation of Revenue:

Year Ended 31st March, 2023 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Finished Goods	41750.26	6855.53	1225.57	1320.64	0.00	1440.17	49711.84
Scrap	0.00	0.00	0.00	0.00	1802.96	0.00	1802.96
Total	**41750.26**	**6855.53**	**1225.57**	**1320.64**	**1802.96**	**1440.17**	**51514.80**

Year Ended 31st March, 2022 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Finished Goods	36876.94	6179.84	1413.91	1222.65	0.00	1557.52	44135.81
Scrap	0.00	0.00	0.00	0.00	1806.50	0.00	1806.50
Total	**36876.94**	**6179.84**	**1413.91**	**1222.65**	**1806.50**	**1557.52**	**45942.31**

40.2 Timing of transfer of goods

Year Ended 31st March, 2023 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Point in Time	41750.26	6855.53	1225.57	1320.64	1802.96	1440.17	51514.80
Over the time	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**41750.26**	**6855.53**	**1225.57**	**1320.64**	**1802.96**	**1440.17**	**51514.80**

Year Ended 31st March, 2022 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Point in Time	36876.94	6179.84	1413.91	1222.65	1806.50	1557.52	45942.31
Over the time	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**36876.94**	**6179.84**	**1413.91**	**1222.65**	**1806.50**	**1557.52**	**45942.31**

40.3 Geographical Market

Year Ended 31st March, 2023 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
India	41750.26	6855.53	1225.57	1320.64	1802.96	1440.17	51514.80
Out of India	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**41750.26**	**6855.53**	**1225.57**	**1320.64**	**1802.96**	**1440.17**	**51514.80**

Year Ended 31st March, 2022 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
India	36876.94	6179.84	1413.91	1222.65	1806.50	1557.52	45942.31
Out of India	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**36876.94**	**6179.84**	**1413.91**	**1222.65**	**1806.50**	**1557.52**	**45942.31**

40.4 Reconciliation of revenue recognized with Contract Price:

(Rupees in Lakhs)

Particulars	Year Ended 31-March-2023	Year Ended 31-March-2022
Gross revenue recognized during the year	51524.96	45942.31
Add: Incentives paid/payable to Customers	-10.16	0.00
Net revenue recognized during the year	51514.80	45942.31

40.5

No adjustment of Revenue from contracts in which freight is considered as Variable consideration has been made in sale consideration in terms of Ind AS 115 "Revenue from Contract with Customers" due to unavailability of required data. However, in view of the management this will not have any impact on profit for the year.

Note-41

41.1 The following Land alloted / 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, Tehshil- 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.

41.2 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.

41.3 the company had received certain concerns raised by one of Ex-director of the company with respect to matters of corporate governance and some other aspects of accounts of the company. As per the information and explanations given to us, the management has refuted these allegations and the matter is pending before Hon. National Company Law Tribunal and management believes that this would have no impact on standalone financial statements.

41.4 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.

41.5 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.

41.6 Sales Tax assessment of units of the company situated in different states have been completed up to Financial Year 2016-17 and assessement for the next financial years are in process.

41.7 The Income Tax Assessement 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.3.02 lakhs 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.

41.8 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.29.74 Lacs (previous year Rs.22.66 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 Nodia, 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.

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

41.10' The company has not paid or declared dividend during the year

41.11 The company has Internal Audit System in place, however, the Internal Audit of two units of the company for the last quarter of the years was not carried out since the records of the two units were not provided to the Internal Auditors by the unit incharge.

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note 42 Loans or Advances to Specified Persons

Repayble on demand

(Rupees in Lakhs)

Type of Borrower	As at 31st March, 2023		As at 31st March, 2022	
	Gross amount of Loan or advance in the nature of loan outstanding	% of Total Loans and advances in the nature of loans	Gross amount of Loan or advance in the nature of loan outstanding	% of Total Loans and advances in the nature of loans
Promoters - - - -	-	-	-	-
Directors - - - -	-	-	-	-
KMPs - - - -	-	-	-	-
Other Related Parties as per the Act	1033.18	89.33%	1025.94	91.06%

42.1 Refer note no. 6& 45 for loans to Related Parties

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note 43

Trade recievable ageing as on 31.03.2023 (Rupees in Lakhs)

	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	6744.13	82.57	39.53	1.91	2.15	6870.29
(ii) Undisputed Trade Receivables – considered doubtful	0.00	0.00	1.00	7.30	56.52	64.83
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	1.45	0.91	15.61	0.49	9.29	27.74
TOTAL	**6745.58**	**83.49**	**56.14**	**9.69**	**67.96**	**6962.86**

Trade recievable ageing as on 31.03.2022 (Rupees in Lakhs)

	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	0.00	0.00	0.00	19.83	5.66	25.49
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	1.48	10.90	0.64	8.70	0.00	21.72
TOTAL	**6806.68**	**95.22**	**20.75**	**52.58**	**18.07**	**6993.31**

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note-44

Trade Payables ageing schedule- as on 31.03.2023 (Rupees in Lakhs)

	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	6060.79	12.63	13.00	195.02	6281.45
(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
Total	**6060.79**	**12.63**	**13.00**	**195.02**	**6281.45**

Trade Payables ageing schedule- as on 31.03.2022 (Rupees in Lakhs)

	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
Total	**6698.65**	**18.77**	**24.94**	**181.45**	**6923.81**

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)

Smt. Chandra Kala Khemka (Director)	**Sh. Rajeev Khemka (Whole Time Director)**	**Sh. Sanjeev Khemka (Whole Time Director till 30.09.2022 & Brother of Sh. Rajeev and Ashish Khemka)**	**Sh. Ashish Khemka (Whole Time Director)**
Smt. Ashima Khemka (Wife of Sh. Ashish Khemka)	**Sh. Deeptanshu Khemka (Whole Time Director)**	**Smt. Vandana Khemka (Wife of Sh. Rajeev Khemka)**	**Smt. Vandana Khemka (Wife of Sh. Sanjeev Khemka)**
Smt. Sonika Khemka (Wife of Sh. Deeptanshu 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)**
	Ms. 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)			
		31/03/2023 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	**31/03/2023 Amount (Rupees in Lacs)**	31/03/2022 Amount (Rupees in Lacs)		
a) Rent Paid							
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) Remuneration Paid(including perquisites)				**---**	---		
Sh.Rajeev Khemka		**44.32**	46.22				
Sh Sanjeev Khemka		**42.82**	42.40				
Sh. Ashish Khemka		**42.87**	41.95				
Sh.Deeptanshu Khemka		**40.97**	27.55				
Smt. Vandana Khemka w/o Sh.Rajeev Khemka		**18.47**	18.12				
Smt. Vandana Khemka w/o Sh Sanjeev Khemka		**18.12**	18.12				
Smt.Ashima Khemka		**18.12**	18.12				
Sh. Vardaan Khemka		**53.48**	38.95				
Ms. Vrinda Khemka		**24.17**	18.12				
Ms Mahima Khemka		**24.04**	24.05				
Sh Sarthak Khemka		**18.04**	9.04				
Smt Sonika Khemka		**20.39**	0.00				
		365.82	302.64				
c) Consultancy Chagres				**---**	---		
Smt Sonika Khemka		**6.00**	26.40				

	Wholly owned Subsidiaries	Key Management Personnel and their Relatives		Othe Parties which significantly influence / are influenced by the Company (either individually or with others)			
		31/03/2023 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	**31/03/2023 Amount (Rupees in Lacs)**	31/03/2022 Amount (Rupees in Lacs)		
d) Interest on unsecured loans							
Smt.Chandrakala Khemka		**21.89**	30.00				
Sh. Ashish Khemka		**1.54**	1.66				
Sh.Rajeev Khemka		**0.00**	0.46				
Sh.Deeptanshu Khemka		**0.86**	0.92				
		24.29	33.03				
e) CSR Expenditures							
Khemka Charitable Trust		**23.35**	14.69				
f) Investment in Subsidiary Companies							
Kcl Paper Mills Pvt Ltd	10.00						
Loan taken from subsidary	9.50						
Loan repayment to subsidary	9.25						
Expenses reimbursement	0.25						
Balance at year end	0.00						
g) Unsecured loans Taken from directors Payables at the begning							
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**				
Loans Accept during the year							
Smt.Chandrakala Khemka		**NIL**	**NIL**				
Loans repayment during the year							
Smt.Chandrakala Khemka		**246.39**	17.29				
Sh. Ashish Khemka		**5.00**	18.00				
Sh.Rajeev Khemka		**11.80**	1.00				
Sh.Deeptanshu Khemka		**16.00**	0.00				
		279.19	**36.29**				
Unsecured loans Taken from directors Payables at year end							
Smt.Chandrakala Khemka		**532.90**	759.59				
Sh. Ashish Khemka		**34.97**	38.59				
Sh.Rajeev Khemka		**0.00**	11.80				
Sh.Deeptanshu Khemka		**8.56**	23.78				
		576.43	**833.76**				
h) Inter-Corporate Deposit, Outstanding at beginning							
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		
				1025.94	**1015.11**		
Payments to Inter Corporates during the Year							
KCL Milk Products India Pvt Ltd				**6.49**	9.44		
Khemka Leasing Pvt ltd				**0.42**	0.44		
Khemka Packaging pvt ltd				**0.12**	0.50		
Ginni Packaging Pvt Ltd				**0.22**	0.45		
Khemka Charitable Trust				**0.00**	0.00		
				7.24	10.82		
Inter-Corporate Deposit, Outstanding at Close of year							
KCL Milk Products India Pvt Ltd				**996.44**	989.96		
Khemka Leasing Pvt ltd				**12.75**	12.32		
Khemka Packaging pvt ltd				**2.60**	2.48		
Ginni Packaging Pvt Ltd				**7.65**	7.43		
Khemka Charitable Trust				**13.74**	13.74		
- Receivables				**1033.18**	**1025.94**		

Transactions with Related Parties are at arm legth price.

Excess managerial remuneration of Rs. 3.19 lakhs has been paid without approval of members in the General Meeting of the Company.

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note 46

Segment Information

The Company has identified the following two Primary Business Segments during the year ended 31st March, 2023

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 (Rupees in Lakhs)

Particulars	Period		Packaging Products	Food Products	Corporate & Un-allocable	Total
Revenue						
Gross	For the Year ended	31-Mar-23	**50407.71**	**2547.25**		**52954.96**
		31-Mar-22	*44860.25*	*2639.59*		*47499.84*
Inter Segment Turnover	For the Year ended	31-Mar-23	**1412.19**	**27.97**		**1440.17**
		31-Mar-22	***1504.42***	*53.10*		*1557.52*
External Turnover	For the Year ended	31-Mar-23	**48995.52**	**2519.27**		**51514.79**
		31-Mar-22	*43355.83*	*2586.49*		*45942.31*
Less: GST RECOVERED	For the Year ended	31-Mar-23	**7505.13**	**295.45**		7800.58
		31-Mar-22	*5888.29*	*318.46*		*6206.75*
Net Turnover	For the Year ended	31-Mar-23	**41490.39**	**2223.82**		**43714.21**
		31-Mar-22	*37467.54*	*2268.03*		*39735.56*

Result

Segment Result						
Profit Before Tax & Interest	For the Year ended	31-Mar-23	**2714.49**	**-202.63**	**-47.36**	**2464.50**
		31-Mar-22	*1817.97*	*57.47*	*-13.44*	*1862.01*
Operating Profit	For the Year ended	31-Mar-23				**2464.50**
		31-Mar-22				*1862.01*
Interest Expenses	For the Year ended	31-Mar-23				**386.82**
		31-Mar-22				*421.09*
Other Income	For the Year ended	31-Mar-23				**37.82**
		31-Mar-22				*27.36*
Income Tax	For the Year ended	31-Mar-23				**647.03**
		31-Mar-22				*442.63*
Profit From ordinary activities	For the Year ended	31-Mar-23				**1430.65**
		31-Mar-22				*998.29*
Add/Less:OCI	For the Year ended	31-Mar-23				**-6.02**
		31-Mar-22				*9.16*
Net Profit after Tax	For the Year ended	31-Mar-23				**1424.64**
		31-Mar-22				*1007.46*

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Other Information

Segment Assets (Rupees in Lakhs)

Property, Plant and Equipment	For the Year ended	31-Mar-23	**6200.20**	**761.59**	**390.77**	**7352.55**
		31-Mar-22	*6975.41*	*795.58*	*404.23*	*8175.23*
Intangible assets	For the Year ended	31-Mar-23	**0.00**			**0.00**
		31-Mar-22				0.00
Capital Work In Progress		31-Mar-23	**0.00**	**0.00**	**0.00**	**0.00**
		31-Mar-22	*3.31*	*0.00*	*0.00*	*3.31*
Right of Use Asset	For the Year ended	31-Mar-23	**979.94**	**0.00**	**46.80**	**1026.74**
		31-Mar-22	979.94	0.00	*70.21*	*1050.14*
Investment Property	For the Year ended	31-Mar-23		**0.00**	**170.82**	**170.82**
		31-Mar-22		0.00	*168.77*	*168.77*
Financial Assets						
Investments	For the Year ended	31-Mar-23			15.98	**15.98**
		31-Mar-22			64.17	64.17
Other Financial Assets	For the Year ended	31-Mar-23	**1.20**	**0.00**	**0.00**	**1.20**
		31-Mar-22	7.24	0.00	0.00	7.24
OtherNon Current Assets	For the Year ended	31-Mar-23	**424.24**	**16.45**	**1077.45**	**1518.13**
		31-Mar-22	*389.08*	*16.07*	*1070.20*	*1475.35*
Current Assets, Loans and Advances	For the Year ended	31-Mar-23	**10286.98**	**858.10**	**80.53**	**11225.62**
		31-Mar-22	10222.08	846.58	*144.07*	11212.73
Total Segment Assets	For the Year ended	31-Mar-23	**17892.55**	**1636.14**	**1782.35**	**21311.03**
		31-Mar-22	18577.06	1658.23	1921.65	22156.94
Total Assets	For the Year ended	31-Mar-23				**21311.04**
		31-Mar-22				22156.94

Segment Liabilities

Non Current Liabilities	For the Year ended	31-Mar-23	**1013.03**	**185.04**	**295.56**	**1493.63**
		31-Mar-22	1407.53	179.15	716.67	2303.35
Current Liabilities & Provisions	For the Year ended	31-Mar-23	**7454.00**	**171.92**	**36.63**	**7662.55**
		31-Mar-22	8960.38	129.40	33.57	9123.35
Total Segment Liabilities	As at	31-Mar-23	**8467.03**	**356.96**	**332.18**	**9156.18**
		31-Mar-22	10367.91	308.55	750.24	11426.70
Total Liabilities	As at	31-Mar-23				**9156.18**
		31-Mar-22				11426.70

Capital Employed	As at	31-Mar-23	**9425.53**	**1279.17**	**1450.16**	**12154.87**
		31-Mar-22	8209.15	1349.68	1171.40	10730.23
Capital Expenditure	As at	31-Mar-23				**439.34**
		31-Mar-22				902.74
Depreciation	For the Year ended	31-Mar-23	**1103.39**	**133.47**	**37.40**	**1274.27**
		31-Mar-22	1232.42	152.26	42.44	1427.12
Non - Cash Expenses other than Depreciation	For the Year ended	31-Mar-23				**0.00**
		31-Mar-22				**0.00**

46.1 Sales to two customers of the company is Rs 130 Crores (previous year Rs.110 Crores) which is more than 10% of the company's total turnover.

46.2 Revenue as per geographical area

With in India	**43714.21**
Outside India	**Nil**

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note-47

Employee Benefits

a) Defined Contribution Plans

The Company has recognised ₹74.59 lacs (PY ₹ 67.32 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 2023).

Summary of results

(Rupees in Lakhs)

	Assets / Liability	**31-03-2023**	**31-03-2022**
a	Present value of obligation	218.57	179.71
b	Fair value of plan assets	148.45	114.47
c	Net assets / (liability) recognized in balance sheet as provision	-70.12	-65.24

Summary of membership data

	As at	**31-03-2023**	**31-03-2022**
a)	Number of employees	427	425
b)	Total Monthly Salary (Lakhs)	55.85	51.19
c)	Average Past Service (Years)	7.79	7.28
d)	Average Age (Years)	39.39	38.71
e)	Average remaining working life (Years)	18.67	19.29
f)	weighted average duration	13.48	13.87

Actuarial Assumptions

a) Economic Assumptions

	31-03-2023	**31-03-2022**
i) Discounting Rate	7.38	7.22
ii) Future salary Increase	5	5

b) Demographic Assumption

	31-03-2023	**31-03-2022**
i) Retirement Age (Years)	58/60/65/70	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	5	5
From 31 to 44 years	3	3
Above 44 years	2	2

Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits

Scale of Benefits

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting Period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended.
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.

e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f)	Limit	20.00 Lakhs.

Plan Liability

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	218.57	179.71

Service Cost

		31-03-2023	31-03-2022
a)	Current Service Cost	23.22	21.56
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	23.22	21.56

Net Interest Cost

		31-03-2023	31-03-2022
a)	Interest Cost on Defined Benefit Obligation	12.98	11.88
b)	Interest Income on Plan Assets	8.55	8.39
c)	Net Interest Cost (Income)	4.42	3.49

Change in Benefit Obligation

		31-03-2023	31-03-2022
a)	Present value of obligation as at the beginning of the period	179.71	174.76
b)	Acquisition adjustment	--	--
c)	Interest Cost	12.98	11.88
d)	Service Cost	23.22	21.56
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-4.06	-18.76
g)	Total Actuarial (Gain)/Loss on Obligation	6.72	-9.74
h)	Present value of obligation as at the End of the period	218.57	179.71

***Unpaid amount Rs.274,487/- add in PBO & CL Liability**

Bifurcation of Actuarial Gain/Loss on Obligation

		31-03-2023	31-03-2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-4.33	-7.34
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	11.04	-2.40

Actuarial Gain/Loss on Plan Asset

		31-03-2023	31-03-2022
a)	Expected Interest Income	8.55	8.39
b)	Actual Income on Plan Asset	8.44	7.58
c)	Actuarial gain /(loss) for the year on Asset	-0.11	-0.82

Balance Sheet and related analysis

		31-03-2023	31-03-2022
a)	Present Value of the obligation at end	218.57	179.71
b)	Fair value of plan assets	148.45	114.47

c)	Unfunded Liability/provision in Balance Sheet	-70.12	-65.24

The amounts recognized in the income statement

		31-03-2023	31-03-2022
a)	Total Service Cost	23.22	21.56
b)	Net Interest Cost	4.42	3.49
c)	Expense recognized in the Income Statement	27.65	25.05

Other Comprehensive Income (OCI)

		31-03-2023	31-03-2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening	--	--
b)	Actuarial gain / (loss) for the year on PBO	-6.72	9.74
c)	Actuarial gain /(loss) for the year on Asset	-0.11	-0.82
d)	Unrecognized actuarial gain/(loss) for the year	-6.83	8.92

Change in plan assets

		31-03-2023	31-03-2022
a)	Fair value of plan assets at the beginning of the period	114.47	123.44
	Reversal amount	4.00	--
b)	Actual return on plan assets	9.41	7.58
c)	Fund management charges	-0.97	--
d)	Employer contribution	24.69	3.60
e)	Benefits paid – received from LIC FY -21-22	--	-4.00
f)	Benefits paid	-3.16	-16.15
g)	Fair value of plan assets at the end of the period	148.45	114.47

Major categories of plan assets (as percentage of total plan assets)

		31-03-2023	31-03-2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Funds Managed by Insurer	100%	100%
f)	Bank Balance	--	--
	Total	**100%**	**100%**

Change in Net Defined Benefit Obligation

		31-03-2023	31-03-2022
a)	Net defined benefit liability at the start of the period	65.24	51.32
	Reversal amount	-4.00	--
b)	Acquisition adjustment	--	--
c)	Total Service Cost	23.22	21.56
d)	Net Interest cost (Income)	4.42	3.49
e)	Re-measurements	6.83	-8.92
f)	Contribution paid to the Fund	-24.69	-3.60
g)	Received Last Fund	--	4.00
h)	Benefit paid directly by the enterprise	-0.90	-2.61
i)	Net defined benefit liability at the end of the period	70.12	65.24

Bifurcation of PBO at the end of year in current and non current

		31-03-2023	31-03-2022
a)	Current liability (Amount due within one year)	19.77	22.78
b)	Non-Current liability (Amount due over one year)	198.79	156.93
	Total PBO at the end of year	218.57	179.71

Expected contribution for the next Annual reporting period

		31-03-2023	31-03-2022

a)	Service Cost	25.54	23.41
b)	Net Interest Cost	5.17	4.71
c)	Expected Expense for the next annual reporting period	30.71	28.13

Sensitivity Analysis of the defined benefit obligation

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	218.57
a)	Impact due to increase of 0.50%	-9.38
b)	Impact due to decrease of 0.50 %	10.15
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	218.57
a)	Impact due to increase of 0.50%	10.33
b)	Impact due to decrease of 0.50 %	-9.62

Maturity Profile of Defined Benefit Obligation

	Year	Amount
a)	0 to 1 Year	19.77
b)	1 to 2 Year	31.09
c)	2 to 3 Year	12.95
d)	3 to 4 Year	10.45
e)	4 to 5 Year	6.29
f)	5 to 6 Year	8.85
g)	6 Year onwards	129.15

48. Financial Instrument – Fair values and risk management

48.1. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. As on March 31, 2023

(Rupees in Lakhs)

Particulars	Note Reference	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Fair Value	Level 1	Level 2	Level 3
Financial assets								
Non-current								
(i) Investments								
Equity instrument	4	14.22	1.76	-	1.76	1.76	-	-
(ii) Loans	6	-	-	1,033.18	-	-	-	-
(iii) Other financial assets*	5	-	-	1.20	-	-	-	-
Current								
(ii) Trade receivables*	9	-	-	6,908.40	-	-	-	-
(iii) Cash and cash equivalents*	10	-	-	563.60	-	-	-	-
(iv) Bank balances other than (iii) above*	11	-	-	196.45	-	-	-	-
(v) Loans*	12	-	-	123	-	-	-	-
(vi) Other financial assets*	13	-	-	4.95	-	-	-	-
Financial liabilities								
Non-current								
(i) Borrowings	18	1,293.36	-	-	-	-	-	-
Current								
(i) Borrowings	23	945.47	-	-	-	-	-	-
(ii) Trade payables*	25	6,281.45	-	-	-	-	-	-
(iii) Other financial liabilities*	26	265.07	-	-	-	-	-	-

ii. As on March 31, 2022

(Rupees in Lakhs)

Particulars	Note Reference	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Fair Value	Level 1	Level 2	Level 3
Financial assets								
Non-current								
(i) Investments								
Equity instrument	4	63.22	0.95	-	0.95	0.95	-	-
(ii) Loans	6	-	-	1,025.94			-	-
(iii) Other financial assets*	5	-	-	7.24	-	-	-	-
Current								
(ii) Trade receivables*	9	-	-	6,971.60	-	-	-	-
(iii) Cash and cash equivalents*	10	-	-	216.01	-	-	-	-
(iv) Bank balances other than (iii) above*	11	-	-	105.66	-	-	-	-
(v) Loans*	12	-	-	100.77	-	-	-	-
(vi) Other financial assets*	13	-	-	4.87	-	-	-	-
Financial liabilities								
Non-current								
(i) Borrowings	18	1,997.87	-	-	-	-	-	-
Current								
(i) Borrowings	23	1,740.10	-	-	-	-	-	-
(ii) Trade payables*	25	6,923.81	-	-	-	-	-	-
(iii) Other financial liabilities*	26	258.25	-	-	-	-	-	-

The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, investments bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The other non-current financial assets represents security deposits given to various parties, loans and advances to employees and bank deposits (due for maturity after twelve months from the reporting date), and other non-current financial liabilities, the carrying value of which approximates the fair values as on the reporting date.

Fair Value hierarchy

Level 1 :	Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.
Level 2:	Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other thanquoted prices included within Level 1 that are observable for such items, either directly or indirectly.
Level 3:	Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

Valuation processes

The fair value of unquoted equity instruments or equity instruments where market data is not available is determined on the basis od best available information

b. Financial risk management

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

- Credit risk ; and
- Liquidity risk

Risk management framework

Financial risk management within the Company is governed by policies and guidelines approved by the senior management and the Board of Directors. These policies and guidelines cover interest rate risk, credit risk and liquidy risk. Company policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Review of the financial risk is done regularly by the senior management and the Board of Directors.

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 Lakhs)

Particulars	Carrying Amount	Payable within 1 year	Payable after 1 year	Total
As at 31st March 2023				
Borrowings	2238.83	945.47	1293.36	**2238.83**
Trade Payables	6281.45	6281.45	-	**6281.45**
Other Financial Liabilities	265.07	265.07	-	**265.07**
As at 31st March 2022				
Borrowings	3737.97	1740.10	1997.87	**3737.97**
Trade Payables	6923.81	6923.81	-	**6923.81**
Other Financial Liabilities	258.25	258.25	-	**258.25**

I. Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rupees in Lakhs)

Particulars	Note Reference	As at March 31, 2023	As at March 31, 2022
From Banks	18 & 23	1651.89	2877.75
From NBFC's		10.50	26.46
From Director's		576.43	833.76

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 affact market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including invenstment 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
The Company's concentration of risk with respecct to trade receivables is low, as its supply are made to the renowned customers.

The company's exposure to credit risk for trade receivable , refer note no. 43

The Company continuosly reviews the credit given and the recoverability of the amounts due. Majority of trade receivables are from the customers with whom the Company has long outstanding satisfactory dealings.

Movement in the loss allowance in respect of trade receivables:

Particulars	Note Reference	Year ended March 31, 2023	Year ended March 31, 2022
	9		
Balance at the beginning of the year		(21.71)	-
Add: Provisions for bad debt made during the year		(6.03)	(21.71)
Add: ECL Provisions made during the year		(26.72)	-
Balance at the end of the year		**(54.46)**	**(21.71)**

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

The Company's maximum exposure to credit risk as at 31st March, 2023, 31st March, 2022 is the carrying value of each class of financial assets.

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Company's operations are mainly in India and therefore rupee denominated, except import of some raw materials and stores.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to currency risk

The Company did not have any exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2023 and March 31, 2022.

Derivatives:

A) Hedged: The Company has not entered into Forward Exchange Contracts, being Derivative

Buy or Sell	As on 31.03.2023		As on 31.03.2022		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

	As on 31.03.2023		As on 31.03.2022		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	**88.43**	**105,394.43**	**153.89**	**186,049.10**	
	29.13	39,237.80	30.57	40,278.80	**USD**
	5.71	6,356.63	2.97	3,610.30	**CHF**
	53.59	59,800.00	120.35	142,160.00	**EURO**
b)Advances received from customer	**0.00**	**30,262.20**	24.74	30262.20	**USD**
c) Payables:-	**58.93**	**545,088.00**	**58.88**	**545,955.35**	
	8.62	10,430.00	8.56	11,297.35	USD
	50.31	534,658.00	50.31	534,658.00	RMB

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 2023**		**31st March 2022**
Borrowings (note 18 and 23)	2238.83		3737.97
Less: cash and cash equivalents (note 10)	563.60		216.01
Net Debt (A)	1675.23		3521.96
Total Equity (note 16 and 17)	12154.86		10730.23
Capital and net debt (B)			
Gearing ratio (A/B) %	**13.78%**		**32.82%**

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, 2023 and March 31, 2022.

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

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 Asssets	Current Liabilities	1.46	1.23	19.20	--
Debt equity ratio	Times	Total Debts (1)	Sharholder's Equity	0.18	0.35	-47.15	Due to lower debt & Increase in profit
Debt Service Coverage Ratio	Times	Earning for Debt Service (2)	Debt service (3)	2.13	1.70	25.24	Increase was primarily on account of increase in profit
Return on Equity Ratio	%	Net Profits after taxes	Average Shareholder's Equity	12.50%	9.76%	28.08	Increase in net profits during the year
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	13.50	12.88	4.86	--
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables	7.42	7.31	1.50	--
Trade payables turnover ratio	Times	Net credit purchases = RM purchases + Other expenses	Average Trade Payables	5.90	5.81	1.60	--
Net capital turnover ratio (working capital turnover ratio)	%	Revenue from operations	Average Working Capital (4)	15.47%	21.29%	-27.35	
Net profit ratio	%	Net profit after tax.	Revenue from operations	3.27%	2.51%	30.27	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	17.19%	13.00%	32.19	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%	--	

52. Other statutory information as at 31st March 2023 and 31st March 2022

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. 58.

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 company 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.

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

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

Note-53 **(Rupees in Lacs)**

Reconcilation of Quarterly bank stock statement for working capital-FY 2022-23

	Particulars	As at March 31,2023		Amount of difference	As at March 31,2022		Amount of difference
		Financial Statements	Quarterly return		Financial Statements	Quarterly return	
Quarter 4	Inventory(excluding scrap)	3018.02	2342.50	675.52	3454.49	3213.97	240.52
	Sundry Debtors	6908.40	6417.79	490.61	6971.60	6838.71	132.89
	Sundry Creditors	6281.45	6110.08	171.37	6923.81	6720.68	203.13
	Net Current Assets	3644.97	2650.21	994.76	3502.28	3332.00	170.28
	Total	**19852.83**	**17520.58**	**2332.26**	**20852.17**	**20105.36**	**746.82**
Quarter 3	Inventory(excluding scrap)	2424.88	2218.05	206.83	2544.55	2435.42	109.13
	Sundry Debtors	7060.68	6504.88	555.80	6969.56	6859.58	109.97
	Sundry Creditors	5356.51	5164.51	192.01	5751.02	5579.22	171.79
	Net Current Assets	4129.05	3558.43	570.62	3763.09	3715.79	47.31
	Total	**18971.12**	**17445.86**	**1525.26**	**19028.22**	**18590.02**	**438.20**
Quarter 2	Inventory(excluding scrap)	3198.90	3049.26	149.64	2487.81	2443.04	44.77
	Sundry Debtors	7661.65	7278.51	383.14	6397.51	6264.61	132.89
	Sundry Creditors	6121.81	5977.58	144.23	5727.08	5581.78	145.31
	Net Current Assets	4738.74	4350.19	388.55	3158.23	3125.87	32.36
	Total	**21721.10**	**20655.53**	**1065.57**	**17770.63**	**17415.31**	**355.33**
Quarter 1	Inventory(excluding scrap)	3174.15	3043.38	130.78	2560.46	2845.27	-284.81
	Sundry Debtors	7023.94	6843.65	180.29	5300.89	5073.63	227.26
	Sundry Creditors	6209.50	6079.51	129.99	4849.43	4630.76	218.67
	Net Current Assets	3988.60	3807.52	181.08	3011.92	3288.14	-276.21
	Total	**20396.19**	**19774.05**	**622.14**	**15722.71**	**15837.80**	**-115.09**

The stock statements are Prepared and filed before completion of financial statements closure activities including Ind 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,2023

Note-54 **Term of repayment of term loans & vehicle loans are as under:** **(Rupees in Lakhs)**

Particulars	Weighted average Rate of interest (P.A.)	Installment	Outstanding as at 31.03.2023		Annual repayment schedule			
Term Loans					**2023-24**	**2024-25**	**2025-26**	**2026-27**
HDFC Bank	8.30	**Monthly**	620.45		251.80	253.41	115.24	
HSBC Bank	8.20	**Monthly**	456.86		225.95	209.61	21.03	0.27
Sub-Total			**1077.31**		**477.75**	**463.02**	**136.27**	**0.27**
Vehicle Loan	8.50	**Monthly**	225.05		107.68	65.30	45.14	6.93
Sub-Total			**1302.36**		**585.43**	**528.32**	**181.41**	**7.20**
Total			*2379.67*		*1063.19*	*991.35*	*317.67*	*7.46*

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lacs)

55. INVESTMENT PROPERTIES	**As at 31-Mar-23**	As at 31-Mar-22
Gross balance at beginning	223.34	204.09
Additions during the year	8.08	19.25
Disposals / Deductions	0.00	0.00
Depreciation for the year	6.03	6.66
Accumulated Depreciation	54.57	47.90
Net balance at the end of reporting period	170.82	168.77
Fair Value	370.84	247.00

Amount recognised in Statement of Profit & Loss for Investment Properties	**Year ended 31 March 2023**	Year ended 31 March 2022
Rental Income	7.66	7.20

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).

56 Ind AS 116

(a) 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, 2023 and March 31, 2022

(Rupees in Lakhs)

Particulars	Land & Building		Leasehold Land	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
a) Opening Balance	70.21	23.06	979.94	979.94
b) Addition	-	70.21	0.00	-
c) Depreciation charge for the year	23.40	23.06	-	-
d) Closing Balance	46.80	70.21	979.94	979.94

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, 2023 and March 31, 2022 in case of Land & Building

Particulars	March 31, 2023	March 31, 2022
a) Opening Balance	70.21	25.16
b) Addition	-	70.21
c) Finance Cost accrued during the year	4.84	1.24
d) Payment of lease liabilities	26.40	26.40
e) Closing Balance	48.64	70.21

The following is the break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 in case of Land & Building

Particulars	March 31, 2023	March 31, 2022
Non-current lease liabilities	25.29	48.64
Current lease liabilities	23.35	21.56
Total	48.64	70.21

Lease liabilities

Maturity analysis – contractual discounted cash flows

Particulars	Contractual cash flows		
	0-1 Years	1-5 Years	5 Years and Above
Lease Liabilities	21.56	27.08	0.00

In case of leased hold property at Greater Noida , Uttar Pradesh, the company has filed a writ petition with Greater Noida Industrial Authority . (Refer note no. 41.8)

KCL LIMITED

Standalone Notes on Financial Statements for the year ended 31st March,2023

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, 2023	Proportion of direct ownership as on 31st March, 2022
1	KCL Paper Mill Private Limited	India	100%	100%

Note-58 Title deeds of immovable properties not held in the name of company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Land Building at 275, Sector 24 Faridabad, Haryana	2.50	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	1987	Non execution of change of name with respective authority
Property Plant and Equipment	VILLAGE BIR PLASSI NALAGARH (HIMACHAL PRADESH)	74.60	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	2007	Non execution of change of name with respective authority
Property Plant and Equipment	PAONTA SAHIB (HIMACHAL PRADESH)	16.87	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	2008	Non execution of change of name with respective authority
Property Plant and Equipment	Plot No. 254 & 255 , T.V ROZKAMEO, FARIDABAD, HARYANA	18.84	KCL LIMITED	KCL LIMITED	2015	Title Deed execution pending in favor of company
Investment Property	PLOT NO 212-215, AMBALA, SAHA (HARYANA)	113.37	KHEMKA CONTAINERS LTD	Allotment letter In the name of the company, which was later changed to KCL Limited	2006	Title Deed execution pending in favor of company
Right of Use Assets	Land Building at 11B ,UDYOG VIHAR, GREATER NOIDA	149.58	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	2002	Non execution of change of name with respective authority

Note-59 Other Significant Matters

59.1 The Company has sought the confirmation of balances for major receivables, payables, advances. However, only some of the parties have responded.

59.2 The Company has requested for confirmation/Bank Statements/Direct confirmation as on 31 March 2023 to Statutory Auditors. The Company has obtained confirmation/bank statements in respect of bank accounts/fixed deposits/loan accounts. However, as per the Statutory Auditors they have not received the confirmations directly from banks.

59.3 The Code on Social Securit the Gazette of India. However, the date on which the Code will come into effect has not been notified. y, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified.
The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

59.4 Some disclosures as required under Ind AS and Schedule III Division II of the Companies Act, 2013 of the company for the year ended 31st March 2022, which were not incorporated in audited accounts for the year ended 31st March, 2022 which now have been incorporated by the management

59.5 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 2023, 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
JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

JAGDISH CHAND & CO.
CHARTERED ACCOUNTANTS

H-20, LGF, GREEN PARK (MAIN), NEW DELHI- 110 016, INDIA
Phones: 26511953, 26533626, 41759467 Fax: 41759467 email: mail@jcandco.org

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF KCL LIMITED

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of KCL LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, notes to the financial statements including summary of significant accounting policies and other explanatory information (hereinafter referred to as the consolidated financial statements).

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matters described in the 'Basis for Qualified Opinion' section of our report, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Group as at 31st March, 2023, and their consolidated profit, consolidated total comprehensive income its consolidated cash flows and consolidated changes in equity for the year ended on that date.

Basis for Qualified Opinion

a) As stated in note 6.1 in the accompanying statement of Consolidated financial statements, the Company has given loan to a related party company, M/s KCL Milk Products India Pvt Ltd, amounting to Rs. 966.44 Lakhs. This related party has negative net current assets and it has negative net worth as per last available audited financial statements. As described in the note, the management, on the basis of its internal assessment, has considered this loan as fully recoverable and in the opinion of management, no provision for diminution of value is required.

In the absence of sufficient audit evidence to support the management's aforesaid assessment, we are unable to comment upon the recoverability of such loan.

b) No adjustment of Revenue has been considered in some cases for Variable consideration of freight in terms of Ind AS 115 "Revenue from Contract with Customers") where sale price is inclusive of freight. (Refer Note No. 40.5)

c) Excess Managerial Remuneration of Rs. 3.19 Lakhs has been paid without approval of members in the General Meeting of the Company. (Refer Note No. 34 & 45)

d) The Subsidiary Company has not complied with the provisions of section 186 of the Companies Act, 2013 while extending loan to Holding Company of Rs. 9.50 lakhs. (Refer Note No. 42)

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our qualified audit opinion on the consolidated 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 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 the matters described below to be Key Audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditors Response
1.	**Impairment of Trade Receivables**	
	Impairment losses represent management's best estimate of expected credit losses on receivables at the reporting date. We have focused on this area because the measurement of impairment losses requires management to make a series of judgements and decisions. The Group assesses impairment of trade receivables both individually and collectively at each reporting date. In estimating the amount of impairment losses, which is equal to the Expected Credit Losses (ECL), management takes into account, among other things, the payment history of the receivables and the historical experience of credit losses, and an assessment of both the current and expected general economic conditions at the date of the report. Thus, the key areas of measurement uncertainty and judgements related to the recognition of impairment of trade receivables are as follows: • the assumptions used to estimate the credit risk of the related exposure and the client's expected future cash flows; • identification of exposures with significant credit risk or credit impairment (default)	Among others, we have carried out the following procedures in this area: • Assessing the appropriateness of the Group's impairment methodology against the requirements of relevant financial reporting standards. • Understanding and assessing the key internal control systems in place in relation to trade receivables recoveries and impairment testing. • Testing the accuracy and completeness of the Group's ECL calculation as at 31 March 2023. • Procedures related to collectively valued trade receivables (based on the expected credit loss (ECL) model) • We tested key parameters of the collective impairment model, such as historical information on default rates and their impact on the model, taking into account the Group's own historical credit loss experience. • Procedures related to the totality of impairment provisions: • Assessing whether the financial statements' disclosures about expected credit losses related to trade receivables are presented in accordance with the

		requirements of relevant financial reporting standards.
2.	**Revenue Recognition**	
	For the year ended 31 March 2023 the Group has recognized revenue from operations of Rs. 43,714.21 Lakhs. Revenue is a key performance indicator and therefore in internal and external stakeholders' focus. Revenue recognition has been recognized as a key audit matter due to diverse and complex revenue streams across the Group. We have identified following key areas for consideration: In line with Ind As 115, the Group recognizes revenue when a performance obligation is satisfied by transferring control over a promised good or service. Due to the Group's business model, overtime revenues are currently not material. Revenue from the sale of goods is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer. This normally means when a product has been delivered to the customer in accordance with agreed delivery terms.	Our audit procedures included the following: • Evaluation of internal control activities over revenue recognition and testing of key controls. • Analysis of significant sales contracts to verify correct Ind AS accounting treatment. • Testing timeliness of revenue recognition by comparing individual sales transactions to delivery documents and by checking significant credit notes issued after year-end. • Analysis of revenue transactions using audit and data analysis techniques. • Testing of accounts receivables by requesting confirmations from the company's customers and by reconciling cash payments received after the year end against the accounts receivable balances at the year end. • Assessed the management judgement and supporting documents around timing of recovery of such costs. • Selected a sample of sales in corrugated box and food segments, made pre and post year end, agreeing the date of revenue recognition to third party support, such as receipts, to confirm sales

		are recognized according to contract conditions. • Examined invoice samples with various shipping terms to test whether revenue has been recognized correctly. • Assessed the disclosures made by the Group (Also refer para (b) of our basis for qualified opinion & Note 40.5)

Emphasis of Matter

a) We draw attention to Note No. 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 Ex-director of the Holding Company with respect to matters of corporate governance and some other aspects of accounts of the company. As per the information and explanations given to us, the management has refuted these allegations and the matter is pending before Hon. National Company Law Tribunal and management believes that this would have no impact on Consolidated financial statements.

   Our conclusion is not modified in respect of this matter.

b) The Group has Inventories of Rs. 3,019.17 Lakhs as on 31 March 2023 (Refer Note No 8). We have not observed physical inventories of Raw materials, Work-in-progress, Finished Goods, Scrap & Stores and spares as on 31 March 2023 as we were appointed as Independent Auditor of the Holding Company on 15 July 2023.

   Our conclusion is not modified in respect of this matter.

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the Consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information, when it becomes available, 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.

When we read the other information, if we conclude, that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group 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 Group 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 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 Board of Directors of the Holding Company, as aforesaid.

In preparing the Consolidated financial statements, the respective Management and Board of Directors of the Companies included in the Group is responsible for assessing the Group'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 Board of Directors either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the holding company and its subsidiary.

Auditors' Responsibility for the audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 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 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 Groups'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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the Consolidated 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 or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

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 Consolidated 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.

Other Matters

a) The consolidated financial statements of the company for the year ended 31 March, 2022 were audited by another auditor who expressed an Qualified Opinion on those statements vide Independent Auditor's Report dated 5 August, 2022

   Our opinion is not modified in respect of this matter.

b) Some disclosures as required under Ind AS and schedule III Division II of the Companies Act, 2013 of the company for the year ended 31 March, 2022, which were not incorporated in audited accounts for the year ended 31 March, 2022 which now have been incorporated by the management and have not been audited by us (Refer Note No. 59.4).

   Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Holding Company and the Subsidiary Company, we give in **"Annexure A"** a statement on the matter specified in paragraphs 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit, we report that:

   a) We have sought and except for the matters 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 matters 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 Other Comprehensive Income) the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) Except for the effects of the matters described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid Consolidated 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) The matters described under Basis of Qualified Opinion section above, may, in our opinion have an adverse effect on the functioning of the respective companies.

   f) On the basis of the written representations received from the directors as on 31 March, 2023 taken on record by the Board of Directors of the respective companies, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act except in case of Mr. Sanjeev Jain (DIN 00011248), director in Holding Company.

      We are unable to comment on whether Mr. Sanjeev Jain (DIN 00011248) Director of the Holding Company is disqualified from being appointed as

director in terms of section 164 (2) of the Act since we have not received written representation for Mr. Sanjeev Jain.

g) With respect to the adequacy of the Internal Financial Controls with reference to financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in "**Annexure B"**. Our report expresses a Qualified Opinion on the adequacy and operating effectiveness of the Company's Internal Financial Controls with reference to Consolidated financial statements.

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 Group has disclosed the impact of pending litigations as at 31 March, 2023 on its financial position in its Consolidated financial statements (Refer Note No. 39)

ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses during the year ended 31 March 2023.

iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group during the year ended 31 March, 2023.

iv. (a) The Management of the Holding Company has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company to or in any other person or entity, including foreign entity ("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 Holding Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management of the Holding Company has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding 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;
(c) Based on the audit procedures 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Group has not paid or declared dividend during the year and until the date of this report.

3. In our opinion and as per information and explanations given to us, the managerial remuneration for the year ended 31 March 2023 has been paid / provided by the Holding Company to its directors during the year is not in accordance with the provisions of section 197 of the Act. (Refer para c of the matter described in basis for qualified opinion paragraph above along with Note No. 34 & 45).

For **JAGDISH CHAND & CO.**
Firm Registration Number: 000129N
Chartered Accountants

(Pawan Kumar)
Partner
Membership Number: 511057
UDIN:

Place: Faridabad
Date:

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of KCL LIMITED on the Consolidated Financial Statements as of and for the year ended 31 March 2023)

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

I. As required under clause 3(xxi) of the Order we report as under:

According to the information and explanations given to us, following company incorporated in India and included in the Consolidated financial statements, have certain remarks included in the report under Companies (Auditor's Report) Order, 2020 ("CARO"):

Sr. No	**Name**	**CIN**	**Clause number of the CARO report which is qualified or adverse**
1	KCL Limited (Holding Company)	L74899DL1983PLC068008	3(i)(c), 3(ii)(b), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f), 3(iv), 3(xi)(c), 3(xiv)(a), 3(xiv)(b)
2	KCL Paper Mill Private Limited (Subsidiary Company)	U21010DL2021PTC380413	3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f), 3(iv),

For **JAGDISH CHAND & CO.**
Firm Registration Number: 000129N
Chartered Accountants

(Pawan Kumar)
Partner
Membership Number: 511057
UDIN:

Date:
Place of signature: Faridabad

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 2(g) of the Independent Auditors' Report of even date to the members of KCL Limited on the Consolidated Financial Statements for the year ended 31 March 2023

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

We have audited the internal financial controls over financial reporting of KCL Limited ("the Holding Company") and its subsidiary as of 31 March, 2023 in conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 in terms of the reports referred to in the "Other Matter" section below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary company as at Balance Sheet date.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

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 with reference to Consolidated Financial Statements

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, the following material weaknesses have been identified for the year ended 31 March, 2023:

In respect of the Holding company:

a) The Company did not have an effective internal audit system commensurate with the size, nature and complexities of the business.

b) The Company did not have an integrated ERP system. One Unit of the company is using different software package for recording financial transactions which requires manual intervention.

c) The Company did not have an effective system for approvals of Managerial Remuneration as required under the provisions of Companies Act, 2013.

d) The Company did not have effective system for assessing and recognizing the variable consideration of freight where sale price is inclusive of freight.

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, the Holding Company, its subsidiary company, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, adequate Internal Financial Controls over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as on 31 March, 2023, based on the internal control over financial reporting criteria established by the Holding 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.

We have, to the extent possible, considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the Consolidated financial statements as at and for the year ended 31 March 2023 of the Holding Company and these material weaknesses have affected our opinion on the Consolidated financial statements and we have issued a qualified opinion on the Consolidated financial statements.

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

Our opinion is not modified in respect of the above matter.

For **JAGDISH CHAND & CO.**
Firm Registration Number: 000129N
Chartered Accountants

(Pawan Kumar)
Partner
Membership Number: 511057
UDIN:

Date:

Place: Faridabad

KCL LIMITED

CIN-L74899DL1983PLC068008

Consolidated Balance Sheet as at 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	As at 31-Mar-2023	As at 31-Mar-2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	7352.55	8175.23
Capital work-in-progress	3	-	3.31
Right of Use Asset	3	1026.74	1050.14
Investment Property	3	170.82	168.77
Other Intangible assets	3	-	-
Financial Assets			
i Investments	4	5.98	54.17
ii Other financial assets	5	1.20	7.24
Non Curent Loans	6	1033.18	1025.94
Other non-current assets	7	485.81	449.67
Total Non-Current Assets		**10076.28**	**10934.46**
Current Assets			
Inventories	8	3019.17	3454.64
Financial Assets			
i Trade receivables	9	6908.40	6971.60
ii Cash and cash equivalents	10	573.31	226.01
iii Bank balances other than (ii) above	11	196.45	105.66
iv Loans	12	123.46	100.77
vi Other financial assets	13	4.95	4.87
Current Tax Assets (Net)	14	91.24	42.66
Other current assets	15	318.35	316.52
Total Current Assets		**11235.33**	**11222.73**
Total Assets		**21311.61**	**22157.19**
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	16	300.01	300.01
Other Equity	17	11854.85	10430.22
Non-controlling interests			
Total Equity		**12154.86**	**10730.23**
LIABILITIES			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	18	1293.36	1997.87
Lease liabilities	19	25.29	48.64
Provisions	20	111.60	101.28
Deferred Tax Liabilities (Net)	21	58.27	150.45
Other Non-Current Liabilities	22	5.11	5.11
Total Non-Current Liabilities		**1493.63**	**2303.35**

KCL LIMITED

CIN-L74899DL1983PLC068008

Consolidated Balance Sheet as at 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	As at 31-Mar-2023	As at 31-Mar-2022
Current Liabilities			
Financial Liabilities			
i Borrowings	23	945.47	1740.10
ii Lease liabilities	24	23.35	21.56
iii Trade Payables	25		
Micro & Small Enterprises	25	-	-
Others	25	6281.45	6923.81
iii Other financial liabilities	26	265.64	258.50
Other Current Liabilities	27	137.81	172.21
Provisions	28	9.39	7.41
Current Tax Liabilities (Net)	29	-	-
Total Current Liabilities		**7663.12**	**9123.60**
Total Liabilities		**9156.75**	**11426.96**
Total Equity and Liabilities		**21311.61**	**22157.19**
Group Information & Significant Accounting Policies	1-2		
Notes to Accounts	1-60		

Accompanying Notes are an integral part of the Consolidated financial statements

As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place :Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

KCL LIMITED

CIN-L74899DL1983PLC068008

Consolidated Statement of Profit & Loss for the year ended 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
INCOME			
Revenue from Operations	30	51514.79	45942.31
Less: GST ecovered		7800.58	6206.75
		43714.21	39735.56
Other Income	31	37.82	27.36
Total Income		**43752.03**	39762.92
EXPENSES			
(a) Cost of Materials Consumed	32	29511.41	27346.32
(b) Changes in Inventories of Finished Goods & Work-In-Progress	33	104.16	139.61
(c) Employee Benefits Expense	34	2109.42	1824.43
(d) Finance Costs	35	386.82	421.09
(e) Depreciation and Amortization Expenses	36	1274.27	1427.12
(f) Other Expenses	37	8288.27	7163.42
Total Expenses		**41674.35**	38322.00
Profit before tax		**2077.68**	1440.92
Tax expense:	21.3		
Current Tax		737.20	499.10
Mat Credit entitlment		87.28	238.40
Mat Credit Utilised		-87.28	-238.40
Income Tax related to earlier years		2.01	0.08
Deferred Tax Adjustment		-92.18	-56.55
Total Tax Expenses		**647.03**	**442.63**
Profit for the year		**1430.65**	998.29
Other Comprehensive Income/(Expense)			
(A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of investment at fair value		**0.81**	0.24
(ii) Remeasurement of net defined benefit plans		**-6.83**	8.92
Income tax relating to itemes that will not be reclassified to profit or loss			
(B) Items that will be reclassified to profit or loss		-	-
Income tax relating to itemes that will be reclassified to profit or loss		-	-
Total Comprehensive Income for the year		**1424.63**	1007.46
Attributable to:			
Owner		**1424.63**	1007.46
Non-controlling Interest		-	-

KCL LIMITED

CIN-L74899DL1983PLC068008

Consolidated Statement of Profit & Loss for the year ended 31.03.2023

(Rupees in Lakhs)

Particulars	Note No.	Year Ended 31-Mar-2023	Year Ended 31-Mar-2022
Earnings per Equity Share of face value of Rs.10/- each	38		
Basic		**48.36**	33.75
Diluted		**48.36**	33.75
Group Information & Significant Accounting Policies	1-2		
Notes to Accounts	1-60		

Accompanying Notes are an integral part of the Consolidated financial statements

As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place :Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place :Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

KCL LIMITED

CIN-L74899DL1983PLC068008

Consolidated Statement of Changes in Equity for the year ended 31.03.2023

A. Equity share capital

Particulars	Numbers	Amount (Rs. In Lakhs)
Balance as at April 1, 2021	3,000,085	300.01
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	**3,000,085**	300.01
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	**3,000,085**	300.01

B. Other equity

(Rupees in Lakhs)

Particulars	Reserve and surplus				Items of Other Comprehensive Income	Total
	Capital Reserve	General Reserve	Retained Earning	Securities Premium Account		
Balance as at April 1, 2021	107.14	7103.24	2004.76	249.01	-41.38	9422.77
Transfer of defined benefit to retained earning						
Profit for the year		-	998.29		9.16	1007.45
Other comprehensive income / (expense) for the year (net of income tax)		-				-
Balance as at March 31, 2022	**107.14**	**7103.24**	**3003.05**	**249.01**	**-32.22**	**10430.22**
Balance as at April 1, 2022	107.14	7103.24	3003.05	249.01	-32.22	10430.22
Profit for the year		-	1430.65			1430.65
Other comprehensive income / (expense) for the year (net of income tax)		-			-6.02	-6.02
Balance as at March 31, 2023	**107.14**	**7103.24**	**4433.70**	**249.01**	**-38.24**	**11854.85**

Group Information & Significant Accounting Policies 1-2
Notes to Accounts 1-60
Accompanying Notes are an integral part of the Consolidated financial statements
As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)

A28783
Place : Faridabad
Date:

KCL LIMITED

CIN-L74899DL1983PLC068008

Consolidated Statement of Cash Flows Statement for the year ended 31.03.2023

(Rupees in Lakhs)

Particulars	For the year ended 31.03.2023	For the year ended 31.03.2022
Cash Flow from Operating Activities		
Net Profit before Tax	**2077.68**	1440.92
Adjustments for :		
Depreciation and Amortisation	**1274.27**	1427.12
Loss on imairment of investment	**49.00**	-
Provision for Gratuity & Leave Encashment	**5.47**	21.21
Finance Costs	**386.82**	421.09
Profit on Sale of Property, Plant and Equipment	**-3.81**	-0.78
Interest Income	**-18.45**	-16.60
Operating Profit before Working Capital changes	**3770.98**	3292.95
Changes in Working Capital:		
Adjustments for (increase) / decrease in Operating Assets:		
Inventories	**435.47**	-738.53
Trade Receivables	**63.20**	-1378.80
Loans-current	**-22.68**	-19.84
Bank balance other than cash and cash equivalents	**-90.79**	-34.85
Other current assets	**-90.56**	241.44
Other financial assets	**-0.08**	-3.96
Other Non Financial Assets	**6.04**	-7.24
Other Non Current Assets	**-7.05**	-8.63
Adjustments for increase / (decrease) in Operating Liabilities:		
Trade Payables	**-642.36**	1148.23
Other financial liabilities	**7.14**	-9.80
Other Current Liabilities	**-34.40**	108.77
Other lease liabilities	**1.79**	-3.59
Cash generated from Operations	**3396.69**	2586.16
Income Tax Paid (Net of Refunds)	**-699.05**	-223.33
Net Cash Flow from Operating Activities (A)	**2697.64**	2362.83
B. Cash Flow from Investing Activities		
Purchases of Property, Plant and Equipment & Intangible Assets	**-439.34**	-902.74
Advance for capex	**-36.33**	-155.94
Creditor for capex	-	-8.12
Investment in subsidiary	-	-10.00
Increse/decrese in Long Term Capital Advances		
Proceeds from Sale of Property, Plant and Equipment	**16.23**	31.04
Interest Received	**18.45**	16.60
Net Cash Flow from / (used in) Investing Activities (B)	**-440.99**	-1029.16

C. Cash flow from Financing Activities		
Proceeds from Long Term Borrowings	**-704.51**	-930.34
Net increase / (decrease) in short term Borrowings	**-794.62**	-342.34
Other Financial Liabilities	**-23.35**	48.64
Interest Paid	**-386.82**	-421.09
Net Cash Flow from / (used in) Financing Activities (C)	**-1909.31**	-1645.13
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	**347.30**	-311.45
Cash and Cash Equivalents at the beginning of the year	**226.01**	537.46
Cash and Cash Equivalents at the end of the year	**573.31**	226.01
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	**8.74**	5.03
(b) Balances with Banks		
(i) In Current Accounts	**14.57**	36.31
(ii) In Fixed Deposits	**550.00**	184.67
	573.31	226.01

Group Information & Significant Accounting Policies 1-2

Notes to Accounts 1-60

Accompanying Notes are an integral part of the Consolidated financial statements

As per our report of even date attached

JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
Place : Faridabad
Date:

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March 2023

1 GROUP INFORMATION

KCL LIMITED (the 'Company'), or ' Holding Company' is a domestic public limited company with Registered office situated at E-292, Sarita Vihar, New Delhi-110044 and is listed on Metropolitian Stock Exchange of India Limited (MSEI). The holding company is one of the leading manufacturer of Corrugated Boards & Boxes and Healthcare Food Products. It has Manufacturing Facilities at Faridabad (Haryana), Greater Noida (U.P.), Baddi and Paonta Sahib (H.P.), Chayyar (Tamil Nadu) & Sricity (A.P.). The products are supplied to reputed buyers in the field of FMCG products, Auto Sector & Food Industries. The holding company together with subsidiary is refered as 'Group' .The group has two major segments Packaging Products and Food Products.

The Consolidated financial statements were approved and authorised for issue in accordance with the resolution of the Holding Company's Board of Directors on dated 04th September 2023.

2 SIGNIFICANT ACCOUNTING POLICIES

Compliance with Ind AS

The consolidated financial statements (hereinafter referred as Consolidated Financial Statements or 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

The Consolidated Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Companies (Indian Accounting Standards) Rules, 2015. These Consolidated financial statements includes Consolidated Balance Sheet as at 31st March 2023, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended 31st March 2023, and a summary of significant accounting policies and other explanatory information (together hereinafter referred to as consolidated Financial Statements or the Financial Statements).

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.

Basis of Consolidation

Basis of Accounting: Financial Statements of the Subsidiary is drawn up to same reporting date as of Holding Company for purpose of consolidation

Principles Of Consolidation

The Consolidated Financial Statements relate to the Holding Company, its Subsidiary. Subsidiary are those entities in which the Holding Company directly or indirectly, has interest more than 50% of voting power or otherwise control composition of board or governing body so as to obtain economic benefits from activities.

Consolidated Financial Statements have been prepared as per the following principles

i) Financial Statements of Holding Company and its Subsidiary are combined on a line by line basis by adding together of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances, intra-group transactions, unrealized profits or losses in accordance with Ind AS 110–'Consolidated Financial Statements' notified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended time to time

ii) Non-Controlling Interest (NCI) in net assets of the consolidated subsidiaries is identified and presented in Consolidated Balance Sheet separately from liabilities and equity attributable to Holding Company's shareholders. NCI in net assets of consolidated subsidiary consists of:-

a) Amount of equity attributable to NCI at the date on which investment in a subsidiary is made; and
b) NCI share of movement in equity since the date the Holding Subsidiary relationship came into existence

iii) For acquisitions of additional interests in subsidiary, where there is no change in control, Group recognises a reduction to NCI of the respective Subsidiary with difference between this figure and cash paid, inclusive of transaction fees, being recognised in equity. In addition, upon dilution of NCI, difference between cash received from sale or listing of subsidiary shares and increase to NCI is also recognised in equity

iv) If Group loses control over a subsidiary, it derecognises related assets (including goodwill), liabilities, NCI and other components of equity, while any resultant gain or loss is recognised in profit and loss account. Any investment retained is recognised at fair value. Results of subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from effective date of acquisition or up to effective date of disposal, as appropriate

v) Consolidated Financial Statements are prepared using uniform Accounting Policies for like transactions and other events in similar circumstances and are presented to extent possible, in same manner as Holding Company's Separate Financial Statements except as otherwise stated in notes to the accounts

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.

Group's financial statements are presented in Indian Rupees, which is also its functional currency of the group. All amount in the consolidated financial statements and accompanying notes are presented in lakhs 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 Group'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 Group'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 Group 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 Group 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, whereever 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. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make sale.

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 Group 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 Consolidated 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.

Gains or losses arising on retirement or disposal of investment property is recognised in the Consolidated 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.

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 Group 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 Group estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Consolidated 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 Group 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 is measured based on the transaction price, which is the consideration, adjusted for discounts, incentive schemes, if any, as per contracts with customers. Taxes collected from customers on behalf of Government are not treated as Revenue.

Interest income is recognized on at time proportion basis taking into account the amount outstanding and the rate applicable. Dividends are recognised in profit and loss only when the right to receive payment is established.

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.

2.11 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 the Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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 Consolidated 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. Group's provident fund contribution, in respect of certain employees, is made to a government administered fund and charged as an expense to the Consolidated Statement of Profit and Loss. The above benefits are classified as Defined Contribution Schemes as the Group has no further defined obligations beyond the monthly contributions.

2.12 Cash & Cash Equivalents

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

2.13 Cash Flow Statement

Cash flows are reported using the indirect method in accordance with Ind AS 7 "Statement of Cash Flows", 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 Group are segregated.

2.14 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.

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.

2.15 Leases

The Group has adopted Ind AS 116-Leases, using the modified retrospective method. The Group 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 Group's lease asset classes primarily consist of leases for Land and Buildings. The Group 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 Group assesses whether:

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

At the date of commencement of the lease, the Group 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 Group recognises the lease payments as an operating expense on a straightline basis over the term of the lease

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

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

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

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

2.16 Provision and Contingent Liabilities

Provisions are recognised when the Group 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.

2.17 Financial Instruments

a). Financial Assets

Financial assets are recognised when the Group 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 Group has accounted for its investments in unquoted equity shares of Subsidiariesand other related parties at cost.

Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Consolidated Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Consolidated Statement of Profit and Loss.

Other investments in quoted equity share

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

Impairment of financial assets

In accordance with Ind AS 109, the Group 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 Group 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 Group 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.

2.18 Earnings per Share

Earning Per Share (EPS) is calculated by dividing the Net Profit or Loss for the period attributable to equity shareholders of the Group 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.

2.19 Recent Pronouncement:

On 31st March, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from 1st April, 2023, as below:

Ind AS 1-Presentation of Financial Statements - The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company has evaluated the amendment and the impact of the amendment is insignificant in the consolidated financial statements.

Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its consolidated financial statements.

Ind AS 12- Income Taxes - The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lakhs)

Note 3 Property, Plant & Equipment

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Particulars	**As at 01.04.2022**	**Additions**	**Sales /or Adjustment**	**As at 31.03.2023**	**As at 01.04.2022**	**For the year**	**Sales / or Adjustment**	**As at 31.03.2023**	**As at 31.03.2023**	**As at 31.03.2022**
Owned Assets:										
Land	907.99	-	-	**907.99**	-	-	-	-	**907.99**	907.99
Building	4284.20	-	-	**4284.20**	2238.12	**191.29**		2429.42	**1854.78**	2046.07
Tubewell	8.10	-	-	**8.10**	6.96	-	-	6.96	**1.14**	1.14
Plant & Machinery	14031.90	140.01	**63.16**	**14108.76**	9394.61	**837.13**	**58.80**	10172.95	**3935.81**	4637.29
Electric Installations	353.15	-	-	**353.15**	321.01	**15.15**	-	336.16	**16.99**	32.14
Moulds & Dies	4.45	-	-	**4.45**	3.69	**0.08**	-	3.77	**0.68**	0.76
Testing & Checking	87.39	1.88	-	**89.27**	68.51	**4.61**	-	73.12	**16.15**	18.87
Fire Fighting Equipment	103.69	0.08	-	**103.77**	67.65	**9.30**	-	76.94	**26.83**	36.04
Furniture & Fixture	240.05	7.23	-	**247.28**	167.84	**19.09**	-	186.93	**60.35**	72.21
Computer	179.42	11.01	-	**190.44**	157.74	**12.95**	-	170.68	**19.75**	21.69
Office Equipments	76.33	5.75	-	**82.07**	63.73	**6.01**	-	69.74	**12.33**	12.59
Intercom Systems	25.46	10.88	-	**36.33**	18.87	**5.39**	-	24.26	**12.07**	6.59
Air Conditioner	70.44	5.14	**0.66**	**74.91**	54.34	**5.57**	**0.61**	59.30	**15.61**	16.09
Vehicle	749.65	111.52	**91.64**	**769.53**	622.11	**41.90**	**85.83**	578.18	**191.34**	127.53
Trucks & Tractors	922.94	110.79	**26.06**	**1007.68**	698.34	**81.42**	**23.86**	755.90	**251.78**	224.60
Material Handling Equipments incl plant lift	39.77	30.28	-	**70.05**	26.17	**14.93**	-	41.11	**28.95**	13.60
Temporary Construction	0.44	-	-	**0.44**	0.44	-	-	0.44	-	-
Sub-Total	**22085.36**	**434.57**	**181.51**	**22338.42**	**13910.14**	**1244.83**	**169.10**	**14985.87**	**7352.55**	**8175.23**
Prev Year	*21168.30*	*1225.16*	*308.10*	*22085.36*	*12790.58*	*1397.40*	*277.84*	*13910.14*	*8175.23*	*8377.72*

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Consolidated Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lakhs)

Capital Work in Progress	As at 01.04.2022	Additions	Transfer to PPE	As at 31.03.2023
Plant & Machinery	3.31	-	3.31	-
Sub-Total	**3.31**	-	**3.31**	**0.00**
Prev Year	*415.18*	*3.31*	*415.18*	*3.31*

Capital work-in-progress (CWIP) ageing schedule

For the year ended March 31, 2023 *(Rupees in Lakhs)*

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		-	-	-	-
Projects temporarily suspended	-	-	-	-	-

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

	GROSS BLOCK				DEPRECIATION				NET BLOCK	
Right-of-Use Assets	**As at 01.04.2022**	**Additions**	**Sales /or Adjustment**	**As at 31.03.2023**	**As at 01.04.2022**	**For the year**	**Sales / or Adjustment**	**As at 31.03.2023**	**As at 31.03.2023**	**As at 31.03.2022**
Leasehold Land	979.94	0.00	-	**979.94**	-	-	-	-	**979.94**	979.94
Land & Building	139.39	-	-	**139.39**	69.18	**23.40**		92.58	**46.80**	70.21
Sub-Total	**1119.32**	-	-	**1119.32**	**69.18**	**23.40**	-	**92.58**	**1026.74**	**1050.14**
Prev Year	*1049.12*	*70.21*	-	*1119.32*	*46.12*	*23.06*	-	*69.18*	*1050.14*	*1003.00*

* For disclosure related to Ind AS 116, refer Note no. 56

INVESTMENT PROPERTIES	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	**Additions**	**Sales /or Adjustment**	**As at 31.03.2023**	**As at 01.04.2022**	**For the year**	**Sales / or Adjustment**	**As at 31.03.2023**	**As at 31.03.2023**	**As at 31.03.2022**
Land (SAHA)	105.30	8.08		113.37	0.00			0.00	**113.37**	105.30
Building(SAHA)	118.04			118.04	54.57	6.03		60.60	**57.45**	63.48
Sub-Total	**223.34**	**8.08**	**0.00**	**231.42**	**54.57**	**6.03**		**60.60**	**170.82**	**168.77**
Previous year	*204.09*	*19.25*	*0.00*	*223.34*	*47.90*	*6.66*		*54.57*	*168.77*	*156.19*

*For disclosure related to Ind AS 40, refer Note no. 55

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Intangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Additions	Sales /or Adjustment	As at 31.03.2023	As at 01.04.2022	For the year	Sales / or Adjustment	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Computer Software	57.44			**57.44**	57.44		0.00	57.44	**0.00**	0.00
Sub-Total	**57.44**	**0.00**	**0.00**	**57.44**	**57.44**	**0.00**	**0.00**	**57.44**	**0.00**	**0.00**
Previous year	*57.44*	*0.00*	*0.00*	*57.44*	*57.44*	*0.00*	*0.00*	*57.44*	**0.00**	**0.00**
Total	**23488.78**	**442.65**	**184.83**	**23746.60**	**14091.33**	**1274.26**	**169.10**	**15196.49**	**8550.11**	**9397.45**
Previous year	*22894.14*	*1317.92*	*723.28*	*23488.78*	*12942.05*	*1427.12*	*277.84*	*14091.33*	*9397.45*	*9952.09*

Note No. 3.1 For title deeds of immovable properties not held in the name of group refer note no. 58

Note No. 3.2 For properties pledged with banks refer note no. 18.1 and 23

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

4 Investments (Non Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Investments measured at Cost in Equity Shares		
Unquoted Equity Shares - Others		
i) 42000 Equity Shares (PY 42000 equity shares) of Ginni Packaging Private Limited of Rs.10/- each fully paid up.	**4.22**	4.22
ii) 490000 Equity shares (PY 490000 equity shares) of M/s KCL Milk Products india Private Limited of Rs.10/- each fully paid up.	49.00	49.00
Less Provision for impairment	-49.00	-
	-	**49.00**
Investments measured at Fair Value Through Other Comprehensive Income)		
Quoted Equity Shares		
609 Equity Shares (PY 609 equity shares) of Indian Bank	**1.76**	0.95
Total	**5.98**	54.17

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
(a) Aggregate value of Quoted Investments	1.76	0.95
(b) Aggregate Market Value of Quoted Investments	1.76	0.95
(c) Aggregate Value of Unquoted Investments	53.22	53.22
(d) Aggregate Amount of Impairment in Value of Investments	49.00	-

4.1 M/s KCL Paper Mill Private Limited, wholly owned subsidiary was incorporated on 21.04.2021 the subsidiary company is yet to commence its business operations as at 31st March 2023

4.2 An impairement on investment of M/S KCL Mill Private Limited of Rs. 49.00 lakhs has been provided as at 31st March 2023, as the net worth of the company as per the latest available audited financials statement was fully eroded

5 Other Financial Assets(non current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Other Bank Balances		
- Fixed Deposits with more than 12 months maturity period*	**1.20**	7.24
Total	**1.20**	7.24

* Pledged with government department/banks as security.

6 Non-current Loans

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Loan to related parties (Refer Note No. 45)		
Unsecured, considered good		
- Inter Corporate Loans	**1019.44**	**1012.19**
- Others	**13.74**	**13.74**
Total	**1033.18**	**1025.94**

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

6.1 The company has given loan to a related party M/S KCL Milk Products India Private Limited amounting to Rs. 996.44 lakhs. This related party has negative net current assets and it has negative net worth as per the latest available audited financial statements. The management of the company , on the basis of its internal assesment, has considered this loan as fully recoverable and in the opinion of the management, no provision for diminution of value is required.

6.2 Loan given to related parties are non interest bearing and are repayble on demand.

6.3 Disclosure for loan to specified person refer note no. 42

7 Other non- current assets (Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Advance for Capital Goods	**307.29**	**270.96**
Security Deposits with government authorities & others	**118.06**	**115.90**
Prepaid Expenses	**20.05**	**23.02**
Other recievables	**30.85**	**30.85**
VAT Credit Receivable	**8.70**	**8.70**
Preoperative Expenses (subject to allocation)		
Opening Balance	-	**7.11**
Addition during the year	-	-
Less : Transferred during the year	-	7.11
Total	-	-
Preoperative Expenses (related to subsidiary company)*		
Opening Balance	0.25	0.00
Addition during the year	0.61	0.25
Less : Transferred during the year		0.00
Total	**0.86**	**0.25**
Preoperative Expenses	**0.86**	**0.25**
Total	**485.81**	**449.67**

***Bifurcation of Preoperative Expenses** (Rupees in Lakhs)

Professional Fee	0.47	0.20
Audit Fee	0.30	0.00
ROC Filing Fee	0.09	0.05
Total	**0.86**	**0.25**

8 Inventories

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Raw materials	**2397.70**	2691.33
Work-in-Progress	**120.87**	124.33
Finished Goods	**300.11**	401.81
Scrap	**1.15**	0.15
Stores and Spares	**197.38**	237.02
Goods in transit	**1.96**	-
Total	**3019.17**	3454.64

8.1 Inventories have been hypothecated with banks against working capital loans. Refer note no. 18.1 and 23

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

9 Trade Receivables

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
- Secured, Considered Good	-	-
- Unsecured, Considered Good	**6870.29**	6946.10
- Trade recievable which has significant increase in credit risk	**64.83**	25.49
-Trade Recievable- credit impaired	**27.74**	21.71
Total	**6962.86**	**6993.31**
-Less allowance for doubtful trade recievables	**27.74**	21.71
-Less expected credit loss on trade recievables	**26.72**	-
Total	**6908.40**	**6971.60**

9.1 Trade Receivables have been hypothecated with banks against working capital loans. Refer note no. 18.1 and 23
9.2 Agewise disclosure as required are attached in note no.43
9.3 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.

10 Cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Cash and Cash Equivalents		
Cash in hand	**8.74**	5.03
Balances with Banks		
- In Current Accounts	**14.57**	36.31
- Fixed Deposits (with Banks less than 3month period)	**550.00**	184.67
Total	**573.31**	226.01

11 Bank balance other than cash and cash equivalents

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Other Bank Balances		
- In Margin Money Accounts	**37.95**	50.99
-Fixed Deposits (with bank more than 3 months but less than 12 month period)	**157.55**	50.53
- Fixed Deposits with more than 12 months maturity period	**1.20**	7.24
- In Employees Group Gratuity Saving Bank Account	**0.95**	4.13
Less: Amount disclosed under the head "other Non Current Financial Assets" (Refer note 5)	**1.20**	7.24
Total	**196.45**	**105.66**

12 Loans (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Loans and Advances to Employees	**123.46**	**100.77**
Total	**123.46**	100.77

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

13 Other Financial assets (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
(i) Other Receivables (interest accrued on FDR)	**4.95**	**4.87**
Total	4.95	4.87

14 Current Tax Assets (Net)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Current Tax assets (net)	**91.24**	42.66
Total	**91.24**	42.66

15 Other current assets

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2020
Prepaid Expenses	**60.58**	**48.18**
MAT Credit Entitlement	-	**88.73**
Others		
(i) Advance to Suppliers & Others	**257.67**	**179.39**
(ii) Other Receivables	**0.10**	**0.22**
Total	**318.35**	316.52

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

16 Share Capital **(Rupees in Lacs)**

	As at 31-Mar-2023	As at 31-Mar-2022
Equity Share Capital : Authorised Share Capital: 50,00,000 Equity Shares of Rs.10/- each (PY -50,00,000 Equity Shares of Rs.10/- each)	**500.00**	500.00
	500.00	500.00
Issued, Subscribed and Paid up Capital: 30,00,085 Equity Shares of Rs.10/- each (PY 30,00,085 Equity Shares of Rs.10/- each)	**300.01**	300.01
TOTAL	**300.01**	300.01

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

	As at 31-Mar-2023		As at 31-Mar-2022	
Name of the Shareholder	**No. of Shares**	**% held**	No. of Shares	% held
Late Sh. Shyam Sunder Khemka*	**526,260**	**17.54**	526,260	17.54
Smt. Chandra Kala Khemka	**800**	**0.03**	390,200	13.01
Sh. Rajeev Khemka	**409,825**	**13.66**	210,325	7.01
Sh. Sanjeev Khemka	**264,875**	**8.83**	264,875	8.83
Sh. Ashish Khemka	**521,250**	**17.37**	331,350	11.04
M/s Khemka Leasing Private Limited	**484,500**	**16.15**	484,500	16.15
M/s Khemka Packaging Private Limited	**200,000**	**6.67**	200,000	6.67

*Shares of Late Sh. Shyam Sunder Khemka are yet to be transferred to his legal heir

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

	As at 31-Mar-2023	As at 31-Mar-2022
Particulars	**No. of Shares**	No. of Shares
Equity Shares at the beginning of the year	3000085	3000085
Add : Shares issued during the year	-	-
Less : Shares cancelled on buy back	-	-
Equity Shares at the end of the year	3000085	3000085

16.3 Shares held by promoters at the end of the year 31st March' 2023

Promoter Name		**No. of Shares as on 31.03.2023**	**% of total Shares**	No. of Shares as on 31.03.2022	**% of total Shares**	**% Change during the Financial Year**
Ashish Khemka		**521,250**	17.37	331,350	11.04	**6.33%**
Chandra Kala Khemka		**800**	0.03	390,200	13.01	**-12.98%**
Rajeev Khemka		**409,825**	13.66	210,325	7.01	**6.65%**
Sanjeev Khemka		**264,875**	8.83	264,875	8.83	**0.00%**
Shyam Sunder Khemka		**352,460**	11.75	352,460	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%**
Total		**1,812,110**		**1,812,110**		

16.4 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 alloted any fully paid up shares pursuant to contract(s) without payment being made in cash nor has alloted 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,2023

17 Other Equity

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
(a) Capital Reserve		
Opening Balance	**107.14**	107.14
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	**107.14**	**107.14**
(b) Securities Premium Account		
Opening Balance	**249.01**	249.01
Add: Additions during the year	-	-
Less: Utilised / transferred during the year	-	-
Closing Balance	**249.01**	**249.01**
(c) General Reserve		
Opening Balance	**7103.24**	7103.24
Add: Addition during the year	-	-
Less: Utilisation	-	-
Closing Balance	**7103.24**	**7103.24**
(d) Retained Earnings		
Opening Balance	**3003.05**	**2004.75**
Add: Profit for the year	**1430.65**	**998.29**
Less Amount transferred to General Reserve	-	-
Closing Balance	**4433.70**	**3003.05**
(e) Other comprehensive income		
Opening Balance	**-32.22**	-41.38
Add: Additions /deductions	**-6.02**	9.16
Closing Balance	**-38.24**	**-32.22**
Total	**11854.85**	10430.22

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. Mandatory transfer to General Reserve is not required

Retained Earnings:
Retained earnings include all current and prior retained profits.
Reatined Earnings are the profits that the Holding Holding Company has earned till date less any transfer to Genera Reserve, dividends or other distributions to shareholders.

Other Comprehensive Income:
Other components of Equity includes Other Comprehensive Income arising due to remeasurement of defined benefit obligations and invetments valued at fair value through Other Comprehensive Income.

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

18 Borrowings (Non-current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Secured		
Term Loans		
From Banks	599.56	1078.47
	599.56	**1078.47**
Vehicle Loans		
---From Banks	117.37	75.86
---From NBFC	-	9.79
Unsecured Loans		
From Directors	576.43	833.76
Total	**1293.36**	**1997.87**

18.1 Term Loans from HSBC & HDFC Bank are secured by way of pari passu charge over entire Property, Plant and Equipment of the Holding Holding Company including Plant & Machinery (both present and future) except those exclusively funded through other Financial Institutions and pari-passu chagre on the Stocks and Receivables of the Holding Holding Company (both present & future) and collaterally secured by way of first pari-passu chagre 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, Varadaiapalem Mandal Chittoor, Andhra Pradesh, in the name of Holding Holding Company and personal guarantee of Sh. Rajeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka ,directors of the Holding Holding Company & Sh. Sanjeev Khemka shareholder of the Holding Holding Company . All securities are under pari passu charge with Banks .

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 banks and NBFC.

18.4 Unsecured Loans from Directors are Long Term Borrowings and are interest bearing , wherever applicable

19 Lease Liabilities (Non-Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Lease Liabilities (Refer Note no. 56)	**25.29**	48.64
Total	**25.29**	**48.64**

20 Provisions (Non-Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Provision for Employee Benefits (Refer note no. 47)		
-Gratuity (funded)	**70.12**	65.24
-Leave Encashment (un-funded)	**41.48**	36.04
Total	**111.60**	**101.28**

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

21 Deferred Tax Liabilities (Net)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Deferred Tax Liabilities		
Property, Plant and Equipment	146.66	202.54
Total Deferred Tax Liabilities (A)	**146.66**	**202.54**
Deferred Tax Assets		
Provision for Retirement Benefits	35.23	31.65
Property, Plant and Equipment		
Others	53.16	20.44
Total Deferred Tax Assets (B)	**88.39**	**52.10**
Deferred Tax Liabilities (Net) (A-B)	**58.27**	**150.45**

21.1 Movement in Deferred Tax Assets

(Rupees in Lakhs)

Particulars	Retirement Benefits	Others
As at 01st April,2021	**26.82**	**16.15**
Profit and Loss	4.83	4.29
Other Comprehensive Income	-	-
As at 31st March,2022	**31.65**	**20.44**
Profit and Loss	3.58	32.72
Other Comprehensive Income	-	-
As at 31st March,2023	**35.23**	**53.16**

21.2 Movement in Deferred Tax Liabilities

(Rupees in Lakhs)

Particulars	PPE	Net DTL
As at 01st April,2021	**249.97**	**207.00**
Profit and Loss	47.43	56.55
Other Comprehensive Income		
As at 31st March,2022	**202.54**	**150.45**
Profit and Loss	-55.88	-92.18
Other Comprehensive Income		
As at 31st March,2023	**146.66**	**58.27**

21.3 Reconciliation of the income tax provision to the amount computed by applying the statutory income tax rate to the income before income taxes is summarized below

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Income tax expense		
Accounting Profit	**2077.68**	**1440.91**
Enacted tax rates in India	**29.12%**	**29.12%**
Computed expected tax expense	**605.02**	**419.60**
Tax reversal due to expenses allowed for Indian tax purposes	**332.94**	**370.30**
Tax effect of non- deductible expenses	**465.12**	**447.73**
Adjustment of tax relating to earlier years	**2.01**	**2.15**
Total Current Income tax expenses	**739.21**	**499.18**
Deferred tax		
(Decrease)/ Increase in deferred tax liabilities	**55.88**	**-47.43**
Decrease/(Increase) in deferred tax assets	**-36.30**	**-9.12**
Total deferred tax expenses/ (credit)	**-92.18**	**-56.55**
Total Income tax expense	**647.03**	**442.63**

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

22 Other Non-Current Liabilities

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Creditors for Capital Goods	5.11	5.11
Total	**5.11**	**5.11**

23 Borrowings (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Secured		
Working Capital Loan from Bank *	360.04	798.74
Current Maturities of Long Term Debts		
Term loan from Banks	477.75	833.21
Total	477.75	833.21
Vehicle Loans		
---From Banks	97.18	91.48
---From NBFC	10.50	16.67
Total	**945.47**	**1740.10**

***** Working Capital Limit from HSBC & HDFC Bank are secured by way of pari passu charge over entire Property, Plant and Equipment of the Holding Company including Plant & Machinery (both present and future) except those exclusively funded through other Financial Institutions and pari-passu chagre on the Stocks and Receivables of the Holding Company (both present & future) and collaterally secured by way of first pari-passu chagre 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, Varadaiapalem Mandal Chittoor, Andhra Pradesh, in the name of Holding Company and personal guarantee of Sh. Rajeev Khemka, Sh. Ashish Khemka and Smt Chanderkala Khemka directors of the Holding Company & Sh. Sanjeev Khemka shareholder of the Holding Company. All securities are under pari passu charge with Banks.

24 Lease liabilities (current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Lease Liabilities (Refer Note no. 56)	**23.35**	21.56
Total	**23.35**	21.56

25 Trade Payables (Current)

(Rupees in Lakhs)

Particulars	As at 31-Mar-2023	As at 31-Mar-2022
Micro and Small Enterprises (Refer Note No. 25.1)	-	-
Others	**6281.45**	6923.81
Total	**6281.45**	**6923.81**

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

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-2023**	As at **31.03.2022**
1 Principal amount due	**Nil**	**Nil**
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 of Trade Payables as required are given in note no.44

26 Other financial liabilities (Current)

(Rupees in Lakhs)

Particulars	**As at 31-Mar-2023**	**As at 31-Mar-2022**
Other Payables		
Payable to employee	167.04	169.50
Payable to Others	98.60	89.01
Total	**265.64**	**258.50**

27 Other Current Liabilities

(Rupees in Lakhs)

Particulars	**As at 31-Mar-2023**	**As at 31-Mar-2022**
Advances from others	1.02	1.80
Advances from Customers & others	5.23	22.94
Statutory Dues	40.98	40.67
Statutory Dues (GST Payable) (Net)	90.58	106.81
Total	**137.81**	**172.21**

28 Provisions (Current)

(Rupees in Lakhs)

Particulars	**As at 31-Mar-2023**	**As at 31-Mar-2022**
Provision for Employee Benefits (Refer note no. 47)		
-Gratuity (funded)	-	-
-Leave Encashment (un-funded)	9.39	7.41
Total	9.39	7.41

29 Current Tax Liabilities (Net)

(Rupees in Lakhs)

Particulars	**As at 31-Mar-2023**	**As at 31-Mar-2022**
Current Tax Liabilities (net)	-	-
	-	-

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

30 Revenue from Operations

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Sale of Products	**52965.12**	47499.84
Less: Incentive payable to customers	**10.16**	-
Less -Internal Consumption	**1440.17**	1557.52
	51514.79	**45942.31**
Less: GST Recovered	**7800.58**	**6206.75**
Total	**43714.21**	**39735.56**

Sale of Products comprises of	**Year ended 31-Mar-2023**	Year ended 31-Mar-2022
Corrugated Boards & Boxes	41750.26	36876.94
Duplex Board Cartons	6855.53	6179.84
Food Products	1225.57	1413.91
Milk /Dairy Products	1330.80	1222.65
Scrap	1802.96	1806.50
Total - Sale of Products	**52965.12**	47499.84

For disclosure related to Ind AS 115 , refre note no. 40

31 Other Income

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Dividend Income	**0.04**	0.01
Interest and Deposits	**18.45**	16.60
Sundry Balances Written back	**5.40**	2.75
Rent Received	**7.66**	7.20
Foreign exchange fluctuation	**0.90**	0.00
Profit on Sale of Property, Plant and Equipment	**3.81**	0.78
Misc reciepts	**1.26**	0.01
Insurance Claim Recieved	**0.30**	-
Total	**37.82**	27.36

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

32 Cost of Raw Materials Consumed

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Opening Stock	**2691.33**	1881.10
Add: Purchases	**30657.95**	29699.33
	33349.28	**31580.43**
Less: Internal Consumption	**1440.17**	1542.78
	31909.11	**30037.65**
Less: Closing Stock	**2397.70**	2691.33
Cost of Material Consumed	**29511.41**	27346.32
Material Consumed comprises:		
1. Kraft Paper	23708.40	21666.50
2. Duplex Board	4191.07	4097.06
3. Corrugated Board & Sheet	1426.11	1650.51
4. Lamination Film	20.54	34.48
5. Flour Wheat & Maize	280.03	245.97
6. Oils & Fats	35.29	29.75
7. Chemicals, Flavours, Sugar & Salts	41.11	40.22
8. Skimmed Milk Powder	0.30	0.03
9. Packaging Materials(used in packing of food	147.59	130.25
10. Dextros Monohydrate	0.00	0.00
11.Raw Milk	382.01	327.51
12.Others	624.12	488.07
13. Soyabeen	67.05	97.11
14.Food product	27.97	53.10
15.Food Ingredients	0.00	28.56
	30951.58	28889.11
Less Internal Consumption	1440.17	1542.78
	29511.41	27346.32

33 Changes in Inventories

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Inventories at the end of the year		
Finished Goods	**300.11**	401.81
Work-In-Progress	**120.87**	124.33
Scrap	**1.15**	0.15
	422.13	**526.29**
Inventories at the beginning 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
Net (Increase) / Decrease	**104.16**	**139.61**

34 Employee Benefits Expenses

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Salaries & Wages	**1784.23**	1558.27
Bonus & Exgrtia	**33.02**	31.63
Leave with wages	**9.33**	0.71
Contributions to Provident Fund*	**74.59**	67.32
Contributions to Employee State Insurance Fund*	**16.94**	16.32
Gratuity*	**27.65**	25.05
Staff Welfare Expenses	**163.66**	125.13
Total	**2109.42**	1824.43

*Refer note no. 47

34.1 Excess managerial remuneration of Rs. 3.19 lakhs has been paid without approval of members in the General Meeting of the Company.

34.2 For related party disclosures refer note no. 45

35 Finance Costs

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Interest Expense on:		
(i) Term Loans from Banks	**121.18**	206.40
(ii) Others Borrowing Costs	**260.81**	213.45
(iii) Interest on lease Liabilities	**4.84**	1.24
Total	**386.82**	421.09

36 Depreciation and Amortisation Expenses

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Depreciation on Property, Plant and Equipment	**1244.83**	1397.40
Amortisation of Right to Use	**23.40**	23.06
Depreciation of investment properties	**6.03**	6.66
Amortisation on Intangible Assets	**0.00**	0.00
Total	**1274.26**	1427.12

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

37 Other Expenses

(Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Manufacturing Expenses:		
Consumption of Stores and Spare Parts	**1194.11**	910.04
Consumption of Block Printing & Design	**604.91**	502.24
Power and Fuel	**1368.57**	1152.39
Factory Rent including Lease Rentals	**3.87**	5.13
House Keeping Expenses	**23.73**	25.00
Carriage Inward Expenses	**22.58**	15.50
Contractor wages	**1337.83**	1074.02
Repairs to - Machinery	**517.83**	563.06
Repairs to - Others	**279.21**	325.57
Sub Total	**5352.64**	4572.94
Administration Expenses:		
Rent	**23.96**	26.75
Insurance	**78.49**	91.87
Rates and Taxes	**32.64**	42.56
Travelling Expenses	**139.67**	92.97
Conveyance Expenses	**69.38**	67.78
Printing & Stationery	**19.29**	14.52
Postage, Telegram & Telephone	**23.69**	24.39
Legal and Professional	**85.12**	42.09
Retainership Charges	**71.44**	100.43
Security Service Charges	**76.47**	65.48
Membership & Subscription	**6.42**	5.06
Car Maintenance & Vehical Upkeep	**86.06**	63.23
Electricity & Water Charges	**24.32**	24.48
General Expenses	**36.08**	33.96
Employees Recruitment & Training Expenses	**8.26**	24.57
Charity & Donation	**3.79**	13.32
ISO Certification Charges	**8.28**	9.74
Sundry Balances Written off	**10.73**	41.53
Software charges	**4.87**	2.81
Bad Debts Written off	**6.48**	29.63
Provision for bad debts	**6.03**	21.71
Prior Period Expenses	**0.00**	3.43
Listing Fees	**0.64**	0.64

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Expenses towards CSR Activities(refer to note no.37.1)	**23.35**	14.69
Provision for doubtful advances	**69.73**	-
Impairment of investments	**49.00**	-
Provision for expected credit loss	**26.72**	-
Penalties	**38.24**	0.31
Director Sitting Fee	**1.26**	-
Interest on late fee-GST	**0.53**	1.41
Interest on late tds	**0.35**	0.00
Foreign exchange fluctuation	**0.69**	2.66
Bank Charges	**13.52**	9.02
Sub Total	**1045.50**	871.05
		(Rupees in Lacs)
Selling Expenses:		
Consumption of Packing Materials (Net)	**361.33**	333.40
Freight Outward (Net)	**1216.67**	1079.90
Sales Promotion Expenses	**118.89**	128.77
Discount Allowed	**32.02**	21.78
Advertisement & Publicity	**1.58**	0.47
Sales Tax Paid	**1.29**	9.91
Damages & Claims	**146.64**	123.50
Commission on Sales	**4.77**	5.40
Product & Sample Distribution Exp	**1.97**	10.78
Sub Total	**1885.14**	1713.91
Auditor's remuneration(excluding applicable taxes)		
Audit Fee*	**4.00**	4.00
For other services	**0.29**	0.82
For Limited Review	**0.70**	0.70
Sub Total	**4.99**	5.52
Total	**8288.27**	7163.42

*The subsidiary company has yet to commence business operations, hence the Statutory Audit Fee for the year of Rs. 0.30 lakhs is treated as Preoperative Expenses.

37.1- Details of CSR (Corporate Social Responsibilty) 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-2023 (Rupees in Lacs)**
A.Gross amount required to be spent by the company	**Current Year**	**17.07**
	Previous Year	*10.33*

B. Amount spent during the year	
i) Construction/acquisition of any asset	--
Previous year	*(--)*
ii) On purposes other than (i) above	**23.35**
Previous year	*14.69*
CSR Activities with related parties	*23.35*
Previous year	*14.69*

There is no shortfall at the end of March 31,2023 and March 31, 2022 in terms of amount required to be spent by the Group. For contribution made to related parties refer note no. 45

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note 38 Earning Per Share (Rupees in Lakhs)

	Year ended 31-Mar-2023	Year ended 31-Mar-2022
Earnings Per Share		
i) Net Profit after Tax as per Profit and Loss Statement attributable to Equity Shareholders	**1430.65**	998.29
ii) Weighted Average Number of Equity Shares used as denominator for calculating EPS	**3,000,085**	3,000,085
iii) Add/(less): Adjustment for elimation of shares for Cross Holding between KCL Limited & Ginni Packaging Private Limited	**42,000**	42,000
iv) Weigted number of equity shares	**2,958,085**	2,958,085
v) Basic Earnings per Share (in Rs.)	**48.36**	33.75
vi) Diluted Earnings per Share (in Rs.)	**48.36**	33.75
vii) Face Value per Equity Share (in Rs.)	**10**	10

The basic and dilluted EPS as per the Consolidated audited financial statement for the year ended 31st March 2022 was Rs. 33.58 per share

Note 39

Contingent Liabilities and Commitments (to the extent not provided for)

(Rupees in Lakhs)

	As at 31-Mar-2023	As at 31-Mar-2022
Contingent Liabilities		
Claims against the Group not acknowledged as debt		
1) Surety Bond for availing duty under EPCG Scheme	**69.94**	69.94
2) Letter of Credits	**394.31**	109.45
	464.26	179.40
Commitments		
- Estimated amount of Contracts remaining to be executed on Capital Account and not provided for (Net of Advances)	**664.82**	1162.64
- Export Obligation against Import under EPCG Licence	**4817.15**	4817.15
	5481.97	5979.78

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note -40

Disclosures as required under Ind-AS 115" Revenue from contracts with customer

40.1 Disaggregation of Revenue:

Year Ended 31st March, 2023 (Rupees in Lakhs)

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Finished Goods	41750.26	6855.53	1225.57	1320.64	0.00	1440.17	49711.84
Scrap	0.00	0.00	0.00	0.00	1802.96	0.00	1802.96
Total	**41750.26**	**6855.53**	**1225.57**	**1320.64**	**1802.96**	**1440.17**	**51514.80**

Year Ended 31st March, 2022

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Finished Goods	36876.94	6179.84	1413.91	1222.65	0.00	1557.52	44135.81
Scrap	0.00	0.00	0.00	0.00	1806.50	0.00	1806.50
Total	**36876.94**	**6179.84**	**1413.91**	**1222.65**	**1806.50**	**1557.52**	**45942.31**

40.2 Timing of transfer of goods

Year Ended 31st March, 2023

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Point in Time	41750.26	6855.53	1225.57	1320.64	1802.96	1440.17	51514.80
Over the time	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**41750.26**	**6855.53**	**1225.57**	**1320.64**	**1802.96**	**1440.17**	**51514.80**

Year Ended 31st March, 2022

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
Point in Time	36876.94	6179.84	1413.91	1222.65	1806.50	1557.52	45942.31
Over the time	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**36876.94**	**6179.84**	**1413.91**	**1222.65**	**1806.50**	**1557.52**	**45942.31**

40.3 Geographical Market

Year Ended 31st March, 2023

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
India	41750.26	6855.53	1225.57	1320.64	1802.96	1440.17	51514.80
Out of India	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**41750.26**	**6855.53**	**1225.57**	**1320.64**	**1802.96**	**1440.17**	**51514.80**

Year Ended 31st March, 2022

Product type	Corrugated Boards & Boxes	Duplex Board Cartons	Food Products	Milk /Dairy Products	Scrap	Inter- Consumption	Total
India	36876.94	6179.84	1413.91	1222.65	1806.50	1557.52	45942.31
Out of India	0.00	0.00	0.00	0.00	-	0.00	0.00
Total	**36876.94**	**6179.84**	**1413.91**	**1222.65**	**1806.50**	**1557.52**	**45942.31**

40.4 Reconciliation of revenue recognized with Contract Price:

(Rupees in Lakhs)

Particulars	Year Ended 31-March-2023	Year Ended 31-March-2022
Gross revenue recognized during the year	51524.96	45942.31
Add: Incentives paid/payable to Customers	-10.16	0.00
Net revenue recognized during the year	51514.80	45942.31

40.5

No adjustment of Revenue from contracts in which freight is considered as Variable consideration has been made in sale consideration in terms of Ind AS 115 "Revenue from Contract with Customers" due to unavailability of required data. However, in view of the management this will not have any impact on profit for the year.

Note-41

41.1 The following Land alloted / purchased are yet to be registered in the name of Holding Company.

a) The company has entered into Agreement for purchase of Land measuring 4.59 Acre at Village Gumshani, Tehshil- 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 Holding 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 Group 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.

41.2 The Sricity Project of the Holding 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.

41.3 The Holding company had received certain concerns raised by one of Ex-director of the company with respect to matters of corporate governance and some other aspects of accounts of the company. As per the information and explanations given to us, the management has refuted these allegations and the matter is pending before Hon. National Company Law Tribunal and management believes that this would have no impact on standalone financial statements.

41.4 In the opinion of the Board of Directors of the Holding company , the Current Assets, Loans and Advances are of the value as stated if realised in ordinary course of business.

41.5 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.

41.6 Sales Tax assessment of units of the Holding company situated in different states have been completed up to Financial Year 2016-17 and assessement for the next financial years are in process.

41.7 The Income Tax Assessement 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.

41.8 The Holding 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 Holding Company has filed recovery suit in Lower / District court, against three debtors (previous year- two debtors) involving amount of RS.29.74 Lacs (previous year Rs.22.66 Lacs) for recovery & the matter is pending for disposal.

- The Holding 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 Nodia, 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.

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

41.10' The Holding company has not paid or declared dividend during the year

41.11 The Holding company has Internal Audit System in place, however, the Internal Audit of two units of the company for the last quarter of the years was not carried out since the records of the two units were not provided to the Internal Auditors by the unit incharge.

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note 42 Loans or Advances to Specified Persons

Repayble on demand

(Rupees in Lakhs)

Type of Borrower	As at 31st March, 2023		As at 31st March, 2022	
	Gross amount of Loan or advance in the nature of loan outstanding	% of Total Loans and advances in the nature of loans	Gross amount of Loan or advance in the nature of loan outstanding	% of Total Loans and advances in the nature of loans
Promoters - - - -				
Directors - - - -				
KMPs - - - -				
Related Parties as per the Act	1033.18	89.33%	1025.94	91.06%

42.1 Refer note no. 6& 45 for loans to Related Parties

42.2 Loans or advances to specified person in case of Subsidiary company

Type of Borrower	Amount of loan Extended during the	Balance as at 31st March 2023	Percentage to the total Loans
Promoters	9.50	NIL	NIL
Directors	0.00	NIL	NIL
KMPs	0.00	NIL	NIL
Other Related Parties	0.00	NIL	NIL

Type of Borrower	Amount of loan Extended during the	Balance as at 31st March 2022	Percentage to the total Loans
Promoters	NIL	NIL	NIL
Directors	NIL	NIL	NIL
KMPs	NIL	NIL	NIL
Other Related Parties	NIL	NIL	NIL

42.3 During the year the subsidiary company has granted interest free unsecured loan repayable on demand of Rs. 9.50 Lakhs to holding company without complying the provisions of section 185 and 186 of the companies act, 2013. The loan was squared off during the year and the outstanding balance as at 31st March 2023 is NIL.

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Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note 43

Trade recievable ageing as on 31.03.2023

(Rupees in Lakhs)

	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	6744.13	82.57	39.53	1.91	2.15	6870.29
(ii) Undisputed Trade Receivables – considered doubtful	0.00	0.00	1.00	7.30	56.52	64.83
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	1.45	0.91	15.61	0.49	9.29	27.74
TOTAL	**6745.58**	**83.49**	**56.14**	**9.69**	**67.96**	**6962.86**

Trade recievable ageing as on 31.03.2022

	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	0.00	0.00	0.00	19.83	5.66	25.49
(iii) Disputed Trade Receivables considered good	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Trade Receivables considered doubtful	1.48	10.90	0.64	8.70	0.00	21.72
TOTAL	**6806.68**	**95.22**	**20.75**	**52.58**	**18.07**	**6993.31**

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note-44

Trade Payables ageing schedule- as on 31.03.2023 (Rupees in Lakhs)

	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	6060.79	12.63	13.00	195.02	6281.45
(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
Total	**6060.79**	**12.63**	**13.00**	**195.02**	**6281.45**

Trade Payables ageing schedule- as on 31.03.2022

	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
Total	**6698.65**	**18.77**	**24.94**	**181.45**	**6923.81**

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)

Smt. Chandra Kala Khemka (Director)	**Sh. Rajeev Khemka (Whole Time Director)**	**Sh. Sanjeev Khemka (Whole Time Director till 30.09.2022 & Brother of Sh. Rajeev and Ashish Khemka)**	**Sh. Ashish Khemka (Whole Time Director)**
Smt. Ashima Khemka (Wife of Sh. Ashish Khemka)	**Sh. Deeptanshu Khemka (Whole Time Director)**	**Smt. Vandana Khemka (Wife of Sh. Rajeev Khemka)**	**Smt. Vandana Khemka (Wife of Sh. Sanjeev Khemka)**
Smt. Sonika Khemka (Wife of Sh. Deeptanshu 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)**
	Ms. Vrinda Khemka (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 :

Ginni Packaging (P) Limited	**KCL Milk Products India Private Limited**
Khemka Packaging (P) Limited	**Khemka Charitable Trust**
Khemka Leasing (P) Limited	

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)**			
		31/03/2023 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	**31/03/2023 Amount (Rupees in Lacs)**	31/03/2022 Amount (Rupees in Lacs)		
a) Rent Paid							
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) Remuneration Paid(including perquisites)				**---**	---		
Sh.Rajeev Khemka		**44.32**	46.22				
Sh Sanjeev Khemka		**42.82**	42.40				
Sh. Ashish Khemka		**42.87**	41.95				
Sh.Deeptanshu Khemka		**40.97**	27.55				
Smt. Vandana Khemka w/o Sh.Rajeev Khemka		**18.47**	18.12				
Smt. Vandana Khemka w/o Sh Sanjeev Khemka		**18.12**	18.12				
Smt.Ashima Khemka		**18.12**	18.12				
Sh. Vardaan Khemka		**53.48**	38.95				
Ms. Vrinda Khemka		**24.17**	18.12				
Ms Mahima Khemka		**24.04**	24.05				
Sh Sarthak Khemka		**18.04**	9.04				
Smt Sonika Khemka		**20.39**	0.00				
		365.82	302.64				
c) Consultancy Chagres				**---**	---		
Smt Sonika Khemka		**6.00**	26.40				

	Wholly owned Subsidiaries	Key Management Personnel and their Relatives		Othe Parties which significantly influence / are influenced by the Company (either individually or with others)			
		31/03/2023 Amount (Rupees in Lacs)	31/03/2022 Amount (Rupees in Lacs)	**31/03/2023 Amount (Rupees in Lacs)**	31/03/2022 Amount (Rupees in Lacs)		
d) Interest on unsecured loans							
Smt.Chandrakala Khemka		**21.89**	30.00				
Sh. Ashish Khemka		**1.54**	1.66				
Sh.Rajeev Khemka		**0.00**	0.46				
Sh.Deeptanshu Khemka		**0.86**	0.92				
		24.29	33.03				
e) CSR Expenditures							
Khemka Charitable Trust		**23.35**	14.69				
f) Investment in Subsidiary Companies							
Kcl Paper Mills Pvt Ltd	10.00						
Loan taken from subsidary	9.50						
Loan repayment to subsidary	9.25						
Expenses reimbursement	0.25						
Balance at year end	0.00						
g) Unsecured loans Taken from directors							
Payables at the begning							
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**				
Loans Accept during the year							
Smt.Chandrakala Khemka		**NIL**	**NIL**				
Loans repayment during the year							
Smt.Chandrakala Khemka		**246.39**	17.29				
Sh. Ashish Khemka		**5.00**	18.00				
Sh.Rajeev Khemka		**11.80**	1.00				
Sh.Deeptanshu Khemka		**16.00**	0.00				
		279.19	**36.29**				
Unsecured loans Taken from directors							
Payables at year end							
Smt.Chandrakala Khemka		**532.90**	759.59				
Sh. Ashish Khemka		**34.97**	38.59				
Sh.Rajeev Khemka		**0.00**	11.80				
Sh.Deeptanshu Khemka		**8.56**	23.78				
		576.43	**833.76**				
h) Inter-Corporate Deposit, Outstanding at beginning							
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		
				1025.94	**1015.11**		
Payments to Inter Corporates during the Year							
KCL Milk Products India Pvt Ltd				**6.49**	9.44		
Khemka Leasing Pvt ltd				**0.42**	0.44		
Khemka Packaging pvt ltd				**0.12**	0.50		
Ginni Packaging Pvt Ltd				**0.22**	0.45		
Khemka Charitable Trust				**0.00**	0.00		
				7.24	10.82		
Inter-Corporate Deposit, Outstanding at Close of year							
KCL Milk Products India Pvt Ltd				**996.44**	989.96		
Khemka Leasing Pvt ltd				**12.75**	12.32		
Khemka Packaging pvt ltd				**2.60**	2.48		
Ginni Packaging Pvt Ltd				**7.65**	7.43		
Khemka Charitable Trust				**13.74**	13.74		
- Receivables				**1033.18**	**1025.94**		

Excess managerial remuneration of Rs. 3.19 lakhs has been paid without approval of members in the General Meeting of the Company.

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note 46

Segment Information

The Group has identified the following two Primary Business Segments during the year ended 31st March, 2023

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 (Rupees in Lakhs)

Particulars	Period		Packaging Products	Food Products	Corporate & Un-allocable	Total
Revenue						
Gross	For the Year ended	31-Mar-23	**50407.71**	**2547.25**		**52954.96**
		31-Mar-22	*44860.25*	*2639.59*		*47499.84*
Inter Segment Turnover	For the Year ended	31-Mar-23	**1412.19**	**27.97**		**1440.17**
		31-Mar-22	***1504.42***	*53.10*		*1557.52*
External Turnover	For the Year ended	31-Mar-23	**48995.52**	**2519.27**		**51514.79**
		31-Mar-22	*43355.83*	*2586.49*		*45942.31*
Less: GST RECOVERED	For the Year ended	31-Mar-23	**7505.13**	**295.45**		7800.58
		31-Mar-22	*5888.29*	*318.46*		*6206.75*
Net Turnover	For the Year ended	31-Mar-23	**41490.39**	**2223.82**		**43714.21**
		31-Mar-22	*37467.54*	*2268.03*		*39735.56*

Result

Segment Result						
Profit Before Tax & Interest	For the Year ended	31-Mar-23	**2714.49**	**-202.63**	**-47.36**	**2464.50**
		31-Mar-22	*1817.97*	*57.47*	*-13.44*	*1862.01*
Operating Profit	For the Year ended	31-Mar-23				**2464.50**
		31-Mar-22				*1862.01*
Interest Expenses	For the Year ended	31-Mar-23				**386.82**
		31-Mar-22				*421.09*
Other Income	For the Year ended	31-Mar-23				**37.82**
		31-Mar-22				*27.36*
Income Tax	For the Year ended	31-Mar-23				**647.03**
		31-Mar-22				*442.63*
Profit From ordinary activities	For the Year ended	31-Mar-23				**1430.65**
		31-Mar-22				*998.29*
Add/Less:OCI	For the Year ended	31-Mar-23				**-6.02**
		31-Mar-22				*9.16*
Net Profit after Tax	For the Year ended	31-Mar-23				**1424.64**
		31-Mar-22				*1007.46*

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Other Information

Segment Assets (Rupees in Lakhs)

Property, Plant and Equipment	For the Year ended	31-Mar-23	**6200.20**	**761.59**	**390.77**	**7352.55**
		31-Mar-22	*6975.41*	*795.58*	*404.23*	*8175.23*
Intangible assets	For the Year ended	31-Mar-23	**0.00**			**0.00**
		31-Mar-22				0.00
Capital Work In Progress		31-Mar-23	**0.00**	**0.00**	**0.00**	**0.00**
		31-Mar-22	*3.31*	*0.00*	*0.00*	*3.31*
Right of Use Asset	For the Year ended	31-Mar-23	**979.94**	**0.00**	**46.80**	**1026.74**
		31-Mar-22	979.94	0.00	*70.21*	*1050.14*
Investment Property	For the Year ended	31-Mar-23		**0.00**	**170.82**	**170.82**
		31-Mar-22		0.00	*168.77*	*168.77*
Financial Assets						
Investments	For the Year ended	31-Mar-23			5.98	**5.98**
		31-Mar-22			54.17	54.17
Other Financial Assets	For the Year ended	31-Mar-23	**1.20**	**0.00**	**0.00**	**1.20**
		31-Mar-22	7.24	0.00	0.00	7.24
OtherNon Current Assets	For the Year ended	31-Mar-23	**425.10**	**16.45**	**1077.45**	**1518.99**
		31-Mar-22	*389.08*	*16.07*	*1070.20*	*1475.60*
Current Assets, Loans and Advances	For the Year ended	31-Mar-23	**10286.98**	**858.10**	**90.24**	**11235.33**
		31-Mar-22	10222.08	846.58	*144.07*	11222.73
Total Segment Assets	For the Year ended	31-Mar-23	**17893.41**	**1636.14**	**1782.06**	**21311.60**
		31-Mar-22	18577.06	1658.23	1911.65	22157.19
Total Assets	For the Year ended	31-Mar-23				**21311.61**
		31-Mar-22				22157.19

Segment Liabilities

Non Current Liabilities	For the Year ended	31-Mar-23	**1013.03**	**185.04**	**295.56**	**1493.63**
		31-Mar-22	1407.53	179.15	716.67	2303.35
Current Liabilities & Provisions	For the Year ended	31-Mar-23	**7454.00**	**171.92**	**37.20**	**7663.12**
		31-Mar-22	8960.38	129.40	33.57	9123.60
Total Segment Liabilities	As at	31-Mar-23	**8467.03**	**356.96**	**332.76**	**9156.75**
		31-Mar-22	10367.91	308.55	750.24	11426.96
Total Liabilities	As at	31-Mar-23				**9156.75**
		31-Mar-22				11426.96

Capital Employed	As at	31-Mar-23	**9426.39**	**1279.17**	**1449.30**	**12154.87**
		31-Mar-22	8209.15	1349.68	1161.40	10730.23
Capital Expenditure	As at	31-Mar-23				**439.34**
		31-Mar-22				902.74
Depreciation	For the Year ended	31-Mar-23	**1103.39**	**133.47**	**37.40**	**1274.27**
		31-Mar-22	1232.42	152.26	42.44	1427.12
Non - Cash Expenses other than Depreciation	For the Year ended	31-Mar-23				**0.00**
		31-Mar-22				**0.00**

46.1 Sales to two customers of the company is Rs 130 Crores (previous year Rs.110 Crores) which is more than 10% of the company's total turnover.

46.2 Revenue as per geographical area

With in India	**43714.21**
Outside India	**Nil**

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note-47

Employee Benefits

a) Defined Contribution Plans

The Group has recognised ₹74.59 lacs (PY ₹ 67.32 lacs) as contribution to provident fund in Statement of Profit & Loss.

b) Defined Benefit Plans

The Group 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 Group has also provided for Leave Encashment which is unfunded.

The following tables summarize the components of the funded status and amounts recognized in the Consolidated balance sheet for the respective plans (as per Actuarial Valuation as on 31st March 2023).

Summary of results

(Rupees in Lakhs)

	Assets / Liability	**31-03-2023**	**31-03-2022**
a	Present value of obligation	218.57	179.71
b	Fair value of plan assets	148.45	114.47
c	Net assets / (liability) recognized in balance sheet as provision	-70.12	-65.24

Summary of membership data

	As at	**31-03-2023**	**31-03-2022**
a)	Number of employees	427	425
b)	Total Monthly Salary (Lakhs)	55.85	51.19
c)	Average Past Service (Years)	7.79	7.28
d)	Average Age (Years)	39.39	38.71
e)	Average remaining working life (Years)	18.67	19.29
f)	weighted average duration	13.48	13.87

Actuarial Assumptions

a) Economic Assumptions

	31-03-2023	**31-03-2022**
i) Discounting Rate	7.38	7.22
ii) Future salary Increase	5	5

b) Demographic Assumption

	31-03-2023	**31-03-2022**
i) Retirement Age (Years)	58/60/65/70	58
ii) Mortality rates inclusive of provision for disability **	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
iii) Attrition at Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	5	5
From 31 to 44 years	3	3
Above 44 years	2	2

Mortality & Morbidity rates - 100% of IALM (2012-14) rates have been assumed which also includes the allowance for disability benefits

Scale of Benefits

a)	Salary for calculation of gratuity	Last drawn qualifying salary.
b)	Vesting Period	5 years of service.
c)	Benefit on normal retirement	As per the provisions of payment of Gratuity Act 1972 as amended.
d)	Benefit on early retirement / withdrawal / resignation	Same as normal retirement benefit based on service upto the date of exit.

e)	Benefit on death in service	Same as normal retirement benefit based on service upto the date of death & no vesting conditions apply.
f)	Limit	20.00 Lakhs.

Plan Liability

Date Ending	31-03-2023	31-03-2022
Present value of obligation as at the end of the period	218.57	179.71

Service Cost

		31-03-2023	31-03-2022
a)	Current Service Cost	23.22	21.56
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	23.22	21.56

Net Interest Cost

		31-03-2023	31-03-2022
a)	Interest Cost on Defined Benefit Obligation	12.98	11.88
b)	Interest Income on Plan Assets	8.55	8.39
c)	Net Interest Cost (Income)	4.42	3.49

Change in Benefit Obligation

		31-03-2023	31-03-2022
a)	Present value of obligation as at the beginning of the period	179.71	174.76
b)	Acquisition adjustment	--	--
c)	Interest Cost	12.98	11.88
d)	Service Cost	23.22	21.56
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	-4.06	-18.76
g)	Total Actuarial (Gain)/Loss on Obligation	6.72	-9.74
h)	Present value of obligation as at the End of the period	218.57	179.71

***Unpaid amount Rs.274,487/- add in PBO & CL Liability**

Bifurcation of Actuarial Gain/Loss on Obligation

		31-03-2023	31-03-2022
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	-4.33	-7.34
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	11.04	-2.40

Actuarial Gain/Loss on Plan Asset

		31-03-2023	31-03-2022
a)	Expected Interest Income	8.55	8.39
b)	Actual Income on Plan Asset	8.44	7.58
c)	Actuarial gain /(loss) for the year on Asset	-0.11	-0.82

Balance Sheet and related analysis

		31-03-2023	31-03-2022
a)	Present Value of the obligation at end	218.57	179.71
b)	Fair value of plan assets	148.45	114.47
c)	Unfunded Liability/provision in Balance Sheet	-70.12	-65.24

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

The amounts recognized in the income statement

		31-03-2023	31-03-2022
a)	Total Service Cost	23.22	21.56
b)	Net Interest Cost	4.42	3.49
c)	Expense recognized in the Income Statement	27.65	25.05

Other Comprehensive Income (OCI)

		31-03-2023	31-03-2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening	--	--
b)	Actuarial gain / (loss) for the year on PBO	-6.72	9.74
c)	Actuarial gain /(loss) for the year on Asset	-0.11	-0.82
d)	Unrecognized actuarial gain/(loss) for the year	-6.83	8.92

Change in plan assets

		31-03-2023	31-03-2022
a)	Fair value of plan assets at the beginning of the period	114.47	123.44
	Reversal amount	4.00	--
b)	Actual return on plan assets	9.41	7.58
c)	Fund management charges	-0.97	--
d)	Employer contribution	24.69	3.60
e)	Benefits paid – received from LIC FY -21-22	--	-4.00
f)	Benefits paid	-3.16	-16.15
g)	Fair value of plan assets at the end of the period	148.45	114.47

Major categories of plan assets (as percentage of total plan assets)

		31-03-2023	31-03-2022
a)	Government of India Securities	--	--
b)	State Government securities	--	--
c)	High Quality Corporate Bonds	--	--
d)	Equity Shares of listed companies	--	--
e)	Funds Managed by Insurer	100%	100%
f)	Bank Balance	--	--
	Total	**100%**	**100%**

Change in Net Defined Benefit Obligation

		31-03-2023	31-03-2022
a)	Net defined benefit liability at the start of the period	65.24	51.32
	Reversal amount	-4.00	--
b)	Acquisition adjustment	--	--
c)	Total Service Cost	23.22	21.56
d)	Net Interest cost (Income)	4.42	3.49
e)	Re-measurements	6.83	-8.92
f)	Contribution paid to the Fund	-24.69	-3.60
g)	Received Last Fund	--	4.00
h)	Benefit paid directly by the enterprise	-0.90	-2.61
i)	Net defined benefit liability at the end of the period	70.12	65.24

Bifurcation of PBO at the end of year in current and non current

		31-03-2023	31-03-2022
a)	Current liability (Amount due within one year)	19.77	22.78
b)	Non-Current liability (Amount due over one year)	198.79	156.93
	Total PBO at the end of year	218.57	179.71

Expected contribution for the next Annual reporting period

		31-03-2023	31-03-2022
a)	Service Cost	25.54	23.41

b)	Net Interest Cost	5.17	4.71
c)	Expected Expense for the next annual reporting period	30.71	28.13

Sensitivity Analysis of the defined benefit obligation

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	218.57
a)	Impact due to increase of 0.50%	-9.38
b)	Impact due to decrease of 0.50 %	10.15
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	218.57
a)	Impact due to increase of 0.50%	10.33
b)	Impact due to decrease of 0.50 %	-9.62

Maturity Profile of Defined Benefit Obligation

	Year	Amount
a)	0 to 1 Year	19.77
b)	1 to 2 Year	31.09
c)	2 to 3 Year	12.95
d)	3 to 4 Year	10.45
e)	4 to 5 Year	6.29
f)	5 to 6 Year	8.85
g)	6 Year onwards	129.15

48. Financial Instrument – Fair values and risk management

48.1. Financial instruments – by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. As on March 31, 2023

(Rupees in Lakhs)

Particulars	Note Reference	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Fair Value	Level 1	Level 2	Level 3
Financial assets								
Non-current								
(i) Investments								
Equity instrument	4	4.22	1.76	-	1.76	1.76	-	-
(ii) Loans	6	-	-	1,033.18	-	-	-	-
(iii) Other financial assets*	5	-	-	1.20	-	-	-	-
Current								
(ii) Trade receivables*	9	-	-	6,908.40	-	-	-	-
(iii) Cash and cash equivalents*	10	-	-	573.31	-	-	-	-
(iv) Bank balances other than (iii) above*	11	-	-	196.45	-	-	-	-
(v) Loans*	12	-	-	123	-	-	-	-
(vi) Other financial assets*	13	-	-	4.95	-	-	-	-
Financial liabilities								
Non-current								
(i) Borrowings	18	1,293.36	-	-	-	-	-	-
Current								
(i) Borrowings	23	945.47	-	-	-	-	-	-
(ii) Trade payables*	25	6,281.45	-	-	-	-	-	-
(iii) Other financial liabilities*	26	265.64	-	-	-	-	-	-

ii. As on March 31, 2022

(Rupees in Lakhs)

Particulars	Note Reference	Carrying value				Fair value measurement using		
		FVTPL	FVOCI	Amortised cost	Fair Value	Level 1	Level 2	Level 3
Financial assets								
Non-current								
(i) Investments								
Equity instrument	4	53.22	0.95	-	0.95	0.95	-	-
(ii) Loans	6	-	-	1,025.94			-	-
(iii) Other financial assets*	5	-	-	7.24	-	-	-	-
Current								
(ii) Trade receivables*	9	-	-	6,971.60	-	-	-	-
(iii) Cash and cash equivalents*	10	-	-	226.01	-	-	-	-
(iv) Bank balances other than (iii) above*	11	-	-	105.66	-	-	-	-
(v) Loans*	12	-	-	100.77	-	-	-	-
(vi) Other financial assets*	13	-	-	4.87	-	-	-	-
Financial liabilities								
Non-current								
(i) Borrowings	18	1,997.87	-	-	-	-	-	-
Current								
(i) Borrowings	23	1,740.10	-	-	-	-	-	-
(ii) Trade payables*	25	6,923.81	-	-	-	-	-	-
(iii) Other financial liabilities*	26	265.71	-	-	-	-	-	-

The Group's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, investments bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The other non-current financial assets represents security deposits given to various parties, loans and advances to employees and bank deposits (due for maturity after twelve months from the reporting date), and other non-current financial liabilities, the carrying value of which approximates the fair values as on the reporting date.

Fair Value hierarchy

Level 1 :	Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market.
Level 2:	Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other thanquoted prices included within Level 1 that are observable for such items, either directly or indirectly.
Level 3:	Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

Valuation processes

The fair value of unquoted equity instruments or equity instruments where market data is not available is determined on the basis od best available information

b. Financial risk management

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

- Credit risk ; and
- Liquidity risk

Risk management framework

Financial risk management within the Group is governed by policies and guidelines approved by the senior management and the Board of Directors of the Holding company. These policies and guidelines cover interest rate risk, credit risk and liquidy risk. Group policies and guidelines also cover areas such as cash management, investment of excess funds and the raising of short and long-term debt. Review of the financial risk is done regularly by the senior management and the Board of Directors.

49 Financial risk management

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group finance department is responsible for developing and monitoring the Group's risk management policies. The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group.

Management of liquidity risk

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group'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 Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date:

(Rupees in Lakhs)

Particulars	Carrying Amount	Payable within 1 year	Payable after 1 year	Total
As at 31st March 2023				
Borrowings	2238.83	945.47	1293.36	**2238.83**
Trade Payables	6281.45	6281.45	-	**6281.45**
Other Financial Liabilities	265.64	265.64	-	**265.64**
As at 31st March 2022				
Borrowings	3737.97	1740.10	1997.87	**3737.97**
Trade Payables	6923.81	6923.81	-	**6923.81**
Other Financial Liabilities	258.50	258.50	-	**258.50**

I. Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rupees in Lakhs)

Particulars	Note Reference	As at March 31, 2023	As at March 31, 2022
From Banks	18 & 23	1651.89	2877.75
From NBFC's		10.50	26.46
From Director's		576.43	833.76

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 affact market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including invenstment and deposits, payables and loans and borrowings.

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

The Group's exposure to credit risk for trade receivable , refer note no. 43

The Group continuosly reviews the credit given and the recoverability of the amounts due. Majority of trade receivables are from the customers with whom the Group has long outstanding satisfactory dealings.

Movement in the loss allowance in respect of trade receivables:

Particulars	Note Reference	Year ended March 31, 2023	Year ended March 31, 2022
	9		
Balance at the beginning of the year		(21.71)	-
Add: Provisions for bad debt made during the year		(6.03)	(21.71)
Add: ECL Provisions made during the year		(26.72)	-
Balance at the end of the year		**(54.46)**	**(21.71)**

b). Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investment in equity shares. The Group has given inter-corporate deposits (ICD) to its related

The Group's maximum exposure to credit risk as at 31st March, 2023, 31st March, 2022 is the carrying value of each class of financial assets.

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Group's operations are mainly in India and therefore rupee denominated, except import of some raw materials and stores.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

Exposure to currency risk

The Group did not have any exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2023 and March 31, 2022.

Derivatives:

A) Hedged: The Group has not entered into Forward Exchange Contracts, being Derivative

Buy or Sell	As on 31.03.2023		As on 31.03.2022		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

	As on 31.03.2023		As on 31.03.2022		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	**88.43**	**105,394.43**	**153.89**	**186,049.10**	
	29.13	39,237.80	30.57	40,278.80	**USD**
	5.71	6,356.63	2.97	3,610.30	**CHF**
	53.59	59,800.00	120.35	142,160.00	**EURO**
b)Advances received from customer	**0.00**	**30,262.20**	24.74	30262.20	**USD**
c) Payables:-	**58.93**	**545,088.00**	**58.88**	**545,955.35**	
	8.62	10,430.00	8.56	11,297.35	USD
	50.31	534,658.00	50.31	534,658.00	RMB

50 Capital Management

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

The Group 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 Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group 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 2023**		**31st March 2022**
Borrowings (note 18 and 23)	2238.83		3737.97
Less: cash and cash equivalents (note 10)	573.31		226.01
Net Debt (A)	1665.52		3511.96
Total Equity (note 16 and 17)	12154.86		10730.23
Capital and net debt (B)			
Gearing ratio (A/B) %	**13.70%**		**32.73%**

In order to achieve this overall objective, the Group'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, 2023 and March 31, 2022.

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

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 Asssets	Current Liabilities	1.46	1.23	19.20	--
Debt equity ratio	Times	Total Debts (1)	Sharholder's Equity	0.18	0.35	-47.15	Due to lower debt and increase in profit
Debt Service Coverage Ratio	Times	Earning for Debt Service (2)	Debt service (3)	2.13	1.70	25.24	Increase was primarily on account of increase in profits
Return on Equity Ratio	%	Net Profits after taxes	Average Shareholder's Equity	12.50%	9.76%	28.08	Increase in net profits during the year
Inventory turnover ratio	Times	Revenue from operations	Average Inventory	13.50	12.88	4.86	--
Trade Receivables turnover ratio	Times	Revenue from operations	Average trade receivables	7.42	7.31	1.50	--
Trade payables turnover ratio	Times	Net credit purchases = RM purchases + Other expenses	Average Trade Payables	5.90	5.81	1.60	--
Net capital turnover ratio (working capital turnover ratio)	%	Revenue from operations	Average Working Capital (4)	15.47%	21.29%	-27.35	--
Net profit ratio	%	Net profit after tax.	Revenue from operations	3.27%	2.51%	30.27	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	17.19%	13.00%	32.19	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%	--	--

52. Other statutory information as at 31st March 2023 and 31st March 2022

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

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

iv) The Group does not have any immovable property whose title deeds are not held in the name of the Group except refer note no. 58.

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

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

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

x) The Group has not revalued any of its Property, Plant and Equipment.

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note-53 **(Rupees in Lacs)**

Reconcilation of Quarterly bank stock statement for working capital-FY 2022-23

	Particulars	As at March 31,2023		Amount of difference	As at March 31,2022		Amount of difference
		Financial Statements	Quarterly return		Financial Statements	Quarterly return	
Quarter 4	Inventory(excluding scrap)	3018.02	2342.50	675.52	3454.49	3213.97	240.52
	Sundry Debtors	6908.40	6417.79	490.61	6971.60	6838.71	132.89
	Sundry Creditors	6281.45	6110.08	171.37	6923.81	6720.68	203.13
	Net Current Assets	3644.97	2650.21	994.76	3502.28	3332.00	170.28
	Total	**19852.83**	**17520.58**	**2332.26**	**20852.17**	**20105.36**	**746.82**
Quarter 3	Inventory(excluding scrap)	2424.88	2218.05	206.83	2544.55	2435.42	109.13
	Sundry Debtors	7060.68	6504.88	555.80	6969.56	6859.58	109.97
	Sundry Creditors	5356.51	5164.51	192.01	5751.02	5579.22	171.79
	Net Current Assets	4129.05	3558.43	570.62	3763.09	3715.79	47.31
	Total	**18971.12**	**17445.86**	**1525.26**	**19028.22**	**18590.02**	**438.20**
Quarter 2	Inventory(excluding scrap)	3198.90	3049.26	149.64	2487.81	2443.04	44.77
	Sundry Debtors	7661.65	7278.51	383.14	6397.51	6264.61	132.89
	Sundry Creditors	6121.81	5977.58	144.23	5727.08	5581.78	145.31
	Net Current Assets	4738.74	4350.19	388.55	3158.23	3125.87	32.36
	Total	**21721.10**	**20655.53**	**1065.57**	**17770.63**	**17415.31**	**355.33**
Quarter 1	Inventory(excluding scrap)	3174.15	3043.38	130.78	2560.46	2845.27	-284.81
	Sundry Debtors	7023.94	6843.65	180.29	5300.89	5073.63	227.26
	Sundry Creditors	6209.50	6079.51	129.99	4849.43	4630.76	218.67
	Net Current Assets	3988.60	3807.52	181.08	3011.92	3288.14	-276.21
	Total	**20396.19**	**19774.05**	**622.14**	**15722.71**	**15837.80**	**-115.09**

The stock statements are Prepared and filed before completion of financial statements closure activities including Ind 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,2023

Note-54 **Term of repayment of term loans & vehicle loans are as under:** **(Rupees in Lakhs)**

Particulars	Weighted average Rate of interest (P.A.)	Installment	Outstanding as at 31.03.2023		Annual repayment schedule			
Term Loans					**2023-24**	**2024-25**	**2025-26**	**2026-27**
HDFC Bank	8.30	**Monthly**	620.45		251.80	253.41	115.24	
HSBC Bank	8.20	**Monthly**	456.86		225.95	209.61	21.03	0.27
Sub-Total			**1077.31**		**477.75**	**463.02**	**136.27**	**0.27**
Vehicle Loan	8.50	**Monthly**	225.05		107.68	65.30	45.14	6.93
Sub-Total			**1302.36**		**585.43**	**528.32**	**181.41**	**7.20**
Total			*2379.67*		*1063.19*	*991.35*	*317.67*	*7.46*

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

(Rupees in Lacs)

55. INVESTMENT PROPERTIES	**As at 31-Mar-23**	As at 31-Mar-22
Gross balance at beginning	223.34	204.09
Additions during the year	8.08	19.25
Disposals / Deductions	0.00	0.00
Depreciation for the year	6.03	6.66
Accumulated Depreciation	54.57	47.90
Net balance at the end of reporting period	170.82	168.77
Fair Value	370.84	247.00

Amount recognised in Statement of Profit & Loss for Investment Properties	**Year ended 31 March 2023**	Year ended 31 March 2022
Rental Income	7.66	7.20

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 Group (refer note no.41.1(c).

56 Ind AS 116

(a) The Group 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 Group 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, 2023 and March 31, 2022

(Rupees in Lakhs)

Particulars	Land & Building		Leasehold Land	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
a) Opening Balance	70.21	23.06	979.94	979.94
b) Addition	-	70.21	0.00	0.00
c) Depreciation charge for the year	23.40	23.06	-	-
d) Closing Balance	46.80	70.21	979.94	979.94

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, 2023 and March 31, 2022 in case of Land & Building

Particulars	March 31, 2023	March 31, 2022
a) Opening Balance	70.21	25.16
b) Addition	-	70.21
c) Finance Cost accrued during the year	4.84	1.24
d) Payment of lease liabilities	26.40	26.40
e) Closing Balance	48.64	70.21

The following is the break-up of current and non-current lease liabilities as at March 31, 2023 and March 31, 2022 in case of Land & Building

Particulars	March 31, 2023	March 31, 2022
Non-current lease liabilities	25.29	48.64
Current lease liabilities	23.35	21.56
Total	48.64	70.21

Lease liabilities

Maturity analysis – contractual discounted cash flows

Particulars	Contractual cash flows		
	0-1 Years	1-5 Years	5 Years and Above
Lease Liabilities	21.56	27.08	0.00

For details of lease liabilties refer note no. 19 & 24

In case of leased hold property at Greater Noida , Uttar Pradesh, the holding company has filed a writ petition with Greater Noida Industrial Authority . (Refer note no. 41.8)

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note 57- Additional Information in pursuant to Schedule III of the Companies Act, 2013

Interest in Other Entities

Subsidiary

Set out below is the subsidiary of the Company as at 31st March, 2023. The country of incorporation and their principal place of business is India, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of Entity	Functional Currency	Ownership Interest held by the Company		Relationship
		As at 31st March, 2023	As at 31st March, 2022	
KCL PAPER MILL PVT LIMITED	INR	100.00%	100.00%	Subsidiary

(a) No Dividend is received from any of the above mentioned entities.

(b) Summarised Financial Information for Subsidiary is set out below:

(Rupees in Lakhs)

Particulars	KCL PAPER MILL PVT LIMITED	
	As at 31st March, 2023	As at 31st March, 2022
Non-Current Assets	0.86	0.25
Current Assets	9.71	10.00
Total Assets (A)	**10.57**	**10.25**
Non-Current Liabilities		
Current Liabilities	0.57	0.25
Total Liabilities (B)	0.57	**0.25**
Net Assets C= (A-B)	10.00	**10.00**
Share of Parent Company in %	100.00%	100.00%
Share of Net Assets	10.00	10.00
a) Includes Cash and Cash Equivalents	9.71	10.00
b) Includes Financial Liabilities (excluding Trade and Other Payables and Provisions)	0.57	0.25

(c) Summarised statement of Profit & Loss for Subsidiarys is set out below:

(Rupees in Lakhs)

Particulars	KCL PAPER MILL PVT LIMITED	
	As at 31st March, 2023	As at 31st March, 2022
Revenue	-	-
Profit/(Loss) from continuing operations	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	-	-
Dividend received during the year	-	-
Share of Parent Company	100.00%	100.00%
Share of Parent Company in Profit/(Loss) from continuing operations	-	-
Share of Parent Company in Other Comprehensive Income	-	-
Share of Parent Company in Total Comprehensive Income	-	-

The subsidiary is yet to commence its business operations as at 31st March 2023

(d) Reconciliation of carrying amounts is set out below:

(Rupees in Lakhs)

Particulars	Amount
Closing Net Assets as at 31st March, 2021	**-**
Capital Introduction	10.00
Total Comprehensive Income/ (Loss) for the year	-
Capital Distribution	-
Closing Net Assets as at 31st March, 2022	**10.00**
Capital Introduction	-
Total Comprehensive Income/ (Loss) for the year	-
Capital Distribution	-
Closing Net Assets as at 31st March, 2023	**10.00**
Share of Parent Company	100.00%
Carrying Amount as at 31st March, 2023	10.00

(e) Summarized cash flow, is set out below

(Rupees in Lakhs)

Particulars	KCL PAPER MILL PVT LIMITED	
	As at 31st March, 2023	As at 31st March, 2022
Cash Flows from Operating Activities	-	-
Cash Flows from Investing Activities	-	-
Cash Flows from Financing Activities	(0.29)	10.00
Net increase/ (decrease) in Cash and Cash Equivalents	9.71	10.00

KCL LIMITED

Consolidated Notes on Financial Statements for the year ended 31st March,2023

Note-58 Title deeds of immovable properties not held in the name of company

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rs. In Lakhs)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property Plant and Equipment	Land Building at 275, Sector 24 Faridabad, Haryana	2.50	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	1987	Non execution of change of name with respective authority
Property Plant and Equipment	VILLAGE BIR PLASSI NALAGARH (HIMACHAL PRADESH)	74.60	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	2007	Non execution of change of name with respective authority
Property Plant and Equipment	PAONTA SAHIB (HIMACHAL PRADESH)	16.87	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	2008	Non execution of change of name with respective authority
Property Plant and Equipment	Plot No. 254 & 255 , T.V ROZKAMEO, FARIDABAD, HARYANA	18.84	KCL LIMITED	KCL LIMITED	2015	Title Deed execution pending in favor of company
Investment Property	PLOT NO 212-215, AMBALA, SAHA (HARYANA)	113.37	KHEMKA CONTAINERS LTD	Allotment letter In the name of the company, which was later changed to KCL Limited	2006	Title Deed execution pending in favor of company
Right of Use Assets	Land Building at 11B ,UDYOG VIHAR, GREATER NOIDA	149.58	KHEMKA CONTAINERS LTD	Title Deed is in the former name of the company, which was later changed to KCL Limited	2002	Non execution of change of name with respective authority

Note-59 Other Significant Matters

59.1 The Group has sought the confirmation of balances for major receivables, payables, advances. However, only some of the parties have responde

59.2 The Group has requested for confirmation/Bank Statements/Direct confirmation as on 31 March 2023 to Statutory Auditors. The Group has obtained confirmation/bank statements in respect of bank accounts/fixed deposits/loan accounts. However, as per the Statutory Auditors they have not received the confirmations directly from banks.

59.3 The Code on Social Securit the Gazette of India. However, the date on which the Code will come into effect has not been notified. y, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified.
The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

59.4 Some disclosures as required under Ind AS and Schedule III Division II of the Companies Act, 2013 of the Group for the year ended 31st March 2022, which were not incorporated in audited accounts for the year ended 31st March, 2022 which now have been incorporated by the

59.5 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.

Consolidated Notes on Financial Statements for the year ended 31st March,2023

60. Note 1 to 59 are annexed to and form an integral part of the Consolidated Balance Sheet as at 31st Mar 2023, Consolidated Statement of Profit and Loss, Consolidated statement of cash flows and Consolidated statement of changes in equity for the year ended as on that date.

As per our report of even date attached
JAGDISH CHAND & CO.
Chartered Accountants
FRN 000129N

For and on behalf of the Board

Pawan Kumar
Partner
M.NO.511057
Place : Faridabad
Date:

Rajeev Khemka
DIN-00103260
Director
Place : Faridabad
Date:

Ashish Khemka
DIN-00103321
Director
Place : Faridabad
Date:

Amit Aggarwal
(Company Secretary)
A28783
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 fortieth Annual General Meeting of the Company be held on Saturday, the 30th day of September, 2023, at 11:00 A.M. at the Registered office of the company situated at E-292, Sarita Vihar, New Delhi - 110044.

_____ _____

Member's/Proxy's name in Block Letters Member's/Proxy's Signature

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

Form No. MGT - 11
Proxy form
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

KCL LIMITED

L74899DL1983PLC068008
E-292, SARITA VIHAR, NEW DELHI DL 110044
cs@kcl.co.in

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 40th Annual General Meeting of the Company, to be held on Saturday, 30th day of September 2023 at 11:00 a.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, 2023 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 2023 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, 2023 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 2023together 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. Rajeev Khemka (holding DIN No 00103260), 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. Rajeev 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. Deeptanshu Khemka (holding DIN No 07484360), 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. Deeptanshu 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."

SPECIAL BUSINESS:

Item 4. Appointment of Statutory Auditor to fill casual vacancy

To appoint statutory auditor of the company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Subject to the provisions of Section 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 Jagdish Chand & Co., Chartered Accountants (Firm Registration No.

000129N), be and are hereby appointed as Statutory Auditor of the Company, to fill the casual vacancy caused by the resignation of M/s Deepanshu Goel & Associates, Chartered Accountant.

RESOLVED FURTHER THATM/s Jagdish Chand & Co., Chartered Accountants, be and are hereby appointed as Statutory Auditors of the Company to hold the office from July 14th 2023, until the conclusion of the 40th Annual General Meeting of the company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit committee in consultation with the Auditors and duly approved by the Board of Directors of the Company."

Item 5. Appointment of Statutory Auditor

To appoint statutory auditor of the company and to fix their remuneration and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Subject to the provisions of Section pursuant to section 139, 142 of the Companies Act, 2013 read with the Companies (Audit & Auditors) Rules, 2014 and other applicable provisions, if any, M/s Jagdish Chand & Co., Chartered Accountants (Firm Registration No. 000129N), be and are hereby appointed as Statutory Auditor of the Company, to hold the office from the conclusion of 40th Annual General Meeting, for a single term of 5 (five) years at such remuneration plus applicable taxes and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the company.

RESOLVED FURTHER THAT Mr. Rajeev Khemka, Executive Director cum CFO and Mr. Ashish Khemka, Executive Director be and are hereby severally authorized to do all such acts, deeds and things to give effect to this resolution."

Item No: 6

To Approve Continuation of directorship of Mrs. Chander Kala Khemka (DIN: 00103355) as a Non-Executive Non-Independent Director Beyond the Age of 75 Yearsin terms of Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in this regard, pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015 and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder (including any amendments thereto or re-enactment thereof, for the time being in force) (hereinafter collectively referred to as the "Applicable Laws") approval of the members of the company be and is hereby accorded to the continuation of directorship of Mrs. Chander Kala Khemka (DIN: 00103260) as Non-executive Non- Independent Director of the Company beyond the age of 75 years.

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

Item No: 7 To appoint Mr. Amrish Aggarwal (DIN: 07631515) as an Independent Director of the Company

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 the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, and in accordance with the recommendation of Nomination and Remuneration Committee, Mr. Amrish Aggarwal (DIN: 07631515), who was appointed as an Additional Director of the Company in the category of Independent Director with effect from 04th September,2023, 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 (40th) Annual General Meeting ('AGM') till the conclusion of the forty fifth (45th) 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 No: 8 Appointment of Mrs. Vandana Khemka, W/o Mr. Rajeev Khemka (DIN 02479295) as a Woman Director and Non-Executive Non-Independent Director

To consider and if thought fit, to pass the following Resolution as a Special Resolution:

RESOLVED that pursuant to the provisions of Section 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Vandana Khemka (DIN: 02479295), who was appointed as an Additional Director (in the category of woman Director and Non-Executive and Non-Independent) w.e.f. September 04, 2023 and who holds office as such upto the date of this ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature as a Director, be and is hereby appointed as a Woman Director in the category of (Non-Executive and Non Independent) Director of the Company to hold office for a period of five consecutive years up to 03rd September, 2028, not liable to retire by rotation.

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 or expedient to give effect to this Resolution.

Item 9: Increase in the remuneration payable to Mr. Vardaan Khemka being related party, holding office or place of Profit in the Company and in this regard to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to Mr. Vardaan Khemka, Related party, to hold an office or place of profit in the Company and increase in his remuneration to the maximum of ₹ 60 Lacs p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 2 lakhs Per Month) for a period of three year effective from April 01, 2023, to March 31, 2026, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company and in accordance with the provisions of the Act as may be agreed to between the Board of Directors and Mr. Vardaan Khemka.

RESOLVED FURTHER THAT the Board of Directors and / or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubts that may arise and to do all such acts, deeds and things as may be necessary, usual, proper or expedient in this regard."

Item 10: Increase in the remuneration payable to Mr. Sanjeev Khemka being related party, holding office or place of Profit in the Company and in this regard to pass the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of Section 188(1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with the Companies (Meetings of Board and its Powers) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or re-enactment thereof), consent of the Members of the Company be and is hereby accorded to Mr. Sanjeev Khemka, Related party, to hold an office or place of profit in the Company and increase in his remuneration to the maximum of ₹ 84 Lacs p.a. over and above last salary drawn in the Company (presently last salary drawn is Rs. 3.25 lakhs Per Month) for a period of three year effective from October 01, 2023, to September 30, 2026, plus Other Perquisites including company's contribution to provident fund, bonus and leave travel concession in accordance with the rules of the Company and in accordance with the provisions of the Act as may be agreed to between the Board of Directors and Mr. Sanjeev Khemka.

RESOLVED FURTHER THAT the Board of Directors and / or any Committee thereof be and is hereby authorised to settle any question, difficulty or doubts that may arise and to do all such acts, deeds and things as may be necessary, usual, proper or expedient in this regard."

Item 11: To Approve the revised payment of Remuneration to Mr. Rajeev Khemka, (DIN: 00103260), Executive Director 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 October 1, 2023 for a period of three years up to 30th September 2026 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 12: To Approve the revised payment of Remuneration to Mr. Ashish Khemka, (DIN: 00103321), Executive Director 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 October 1, 2023 for a period of three years upto 30th September 2026 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 13: To Approve the revised payment of Remuneration to Mr. Deeptanshu Khemka, (DIN: 07484360), Executive Director 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 October 1, 2023 for a period of three years upto 30th September 2026 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

Signed this …… day of …….. 2023

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

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.